



Buhl Building ▪ 535 Griswold Street, Suite 600 ▪ Detroit, MI 48226

Board of Directors Meeting

December 10, 2020



Suburban Mobility Authority for Regional Transportation

Buhl Building • 535 Griswold Street, Suite 600 • Detroit, MI 48226 • (313) 223-2100

ROLL CALL

Board of Directors Meeting

Date: December 10, 2020

CHAIR, MR. KHALIL RAHAL

VICE-CHAIR, MS. VICKI WOLBER

MS. HILARIE CHAMBERS

MR. ABDUL HAIDOUS

MR. ROYCE MANIKO

MR. BRET RASEGAN

MR. JOHN PAUL REA

Tiffany Martin-Patterson, SMART Board Secretary





Suburban Mobility Authority for Regional Transportation

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PUBLIC NOTICE

NOTE: Date changed to December 10 (was December 3).

SMART will hold its December 10, 2020 Board of Directors meeting at 2:00 p.m by public conference call.

The agenda will be posted here:

<http://www.smartbus.org/About/Our-Organization/Board-of-Directors/Board-Meeting-Schedule>

To join the meeting via smartphone, tablet or computer, please click or type this URL in a web browser: <https://smartbus.zoom.us/j/92194836829>

To join the meeting via phone only, please dial: 888-788-0099 (Toll Free)
Webinar ID: 921 9483 6829 (no password required)

Members of the public are invited to attend virtually and may participate at the public comment period.

For those unable to participate remotely, you may submit a written comment to be read at the Public Comment period by emailing SMARTBoard@smartbus.org by 2:00 p.m. December 10, 2020.

Requests for reasonable accommodations at SMART require advance reservations. Individuals with disabilities requiring assistance should contact SMARTBoard@smartbus.org or 313-223- 2110 as soon as possible. If you have technical difficulties joining the meeting, contact SMARTBoard@smartbus.org or 248-419-7912 and we will assist you to the best of our abilities.

PUBLIC COMMENT PROCEDURES

Public Comment will proceed as follows:

- All comments: 5 minute limit per member of the public. Kindly state your name and city of residence.
- Those on web: use raise hand feature in Zoom, each raised hand will be unmuted to make comments.
- Those only on phone: raise hand on phone (press *9), each raised hand will be unmuted to make comments.
- Written comments via email: After verbal comments, the Board Secretary will read any submitted comments received via the official SMART Board public comment email.





**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
BOARD OF DIRECTORS MEETING
THURSDAY, DECEMBER 10, 2020
2:00 PM**

AGENDA

<u>ITEM:</u>	<u>ACTION:</u>	<u>PRESENTED BY:</u>
1. Call to Order		K. Rahal
A) Pledge of Allegiance		
2. Roll Call		T. Martin
3. Public Notice	Information	T. Martin
4. Adoption of Agenda	Approval	K. Rahal
5. Minutes:	Approval	K. Rahal
A) October 22, 2020 Regular Board Meeting		
B) November 19, 2020 Special Board Meeting		
C) November 19, 2020 Executive Session (separate cover)		
6. Public Participation	Discussion	K. Rahal
7. Chairperson's Report	Information	K. Rahal
8. Staff Report	Information	R. Cramer
9. New Business		
A) Resolution: Approval of Fixed Route April 2021 Service Changes	Approval	R. Cramer
B) Resolution: Amendment to the FY2020/21 General Operating Budget – Microtransit Service	Approval	R. Cramer
C) Resolution: Authorization to Award a Contract for Microtransit Pilots	Approval	R. Cramer
D) Resolution: Adopt Agency Safety Plan	Approval	R. Cramer
E) Resolution: Authorization to Enter Into a Funding and Service Agreement with the Oakland County Public Transportation Authority (OCPTA)	Approval	R. Cramer

F) Resolution: Audited Financial Statements for the Year Ending June 30, 2020 including Other Independent Auditor Reports	Approval	R. Cramer
G) Resolution: Authorization to Join Automated Bus Consortium	Approval	R. Cramer
H) Resolution: Authorization to Award a Contract for LETC Site Improvements	Approval	R. Cramer
I) Resolution: Authorization to Award a Contract for Macomb Lounge Remodel	Approval	R. Cramer
J) Resolution: Authorization to Award a Contract for Employee Dental Benefits	Approval	R. Cramer
K) Resolution: Authorization to Award a Contract for Disinfectant Wipe-down for Fixed Route Fleet	Approval	R. Cramer
L) Resolution: Authorization to Award a Contract for Electrostatic Spraying of Buses	Approval	R. Cramer
M) Resolution: Authorization to Award a Contract for Fiberglass Seat Inserts	Approval	R. Cramer
N) Resolution: Authorization to Award a Contract for Compensation Study	Approval	R. Cramer
O) Resolution: Authorization to Award a Contract for Uniform Rental and Laundry Service	Approval	R. Cramer
10. Board Member Business	Discussion	K. Rahal
11. Adjournment	Approval	K. Rahal

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

BOARD OF DIRECTORS MEETING

PROPOSED MINUTES – October 22, 2020

A regular meeting of the Board of Directors of the Suburban Mobility Authority for Regional Transportation (SMART) was held on Thursday, October 22, 2020 at 2:05 PM. The meeting was held via a digital public video conference.

ATTENDANCE

SMART Board of Directors:	Chairperson	Mr. Khalil Rahal Ms. Hilarie Chambers Mr. Abdul Haidous Mr. Royce Maniko Mr. Bret Rasegan Mr. John Paul Rea
Absent:	Vice-Chairperson	Ms. Vicki Wolber
SMART Board Secretary:		Ms. Tiffany Martin-Patterson
SMART General Manager:		None
SMART Staff Present:		Ms. Beverly Anderson Mr. Ronald Beier Mr. Ryan Byrne Mr. Robert Cramer Ms. Renee Cooper Mr. Melvin Evans Ms. Beth Gibbons Mr. Avery Gordon Mr. Craig Grier Ms. Sarah Gryniewicz Mr. Dustin Hagfors Ms. Melissa Hightower Ms. Lynn Hurt Mr. Joe Kim Mr. Idress Motahr Mr. Konner Petz Mr. Corey Rowe

Ms. Kirsten Silwanowicz
Ms. Leeya Sutter
Mr. Darrell Taylor
Mr. Keith Taylor
Mr. Andy Thorner
Mr. Tony Vinson
Ms. Patty Waling
Ms. Brenda Ynclan

Public Registered:

Mr. Joel Batterman, Motor City Freedom Riders
Mr. Patrick Haire, HRC

1. Call to Order

A) Pledge of Allegiance

2. Roll Call

Present: Chairperson Mr. Khalil Rahal, Ms. Hilarie Chambers, Mr. Abdul Haidous, Mr. Royce Maniko, Mr. Bret Rasegan, and Mr. John Paul Rea

Absent: Vice-Chairperson Ms. Vicki Wolber

A quorum was present.

3. Public Notice and Rules of Order

The Secretary read the Public Notice and Rules of Order into the record.

4. Adoption of Agenda

MOTION: Moved by Mr. Royce Maniko, seconded by Mr. Bret Rasegan, to approve the Agenda for the October 22, 2020 Board meeting.

DISCUSSION

None

VOTE: THE MOTION CARRIED.

5. Election of Officers

Resolution: Election of Officers to the SMART Board of Directors: FY2020-2021 Term

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Bret Rasegan, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby elects Mr. Khalil Rahal of Wayne County as Chairman of the SMART Board of Directors and Ms. Vicki Wolber of Macomb County as Vice-Chairman of the SMART Board of Directors for a term of one year per Article III of the by-laws.

DISCUSSION

Ms. Hilarie Chambers asked if there were any nominations from the floor. There were none.

VOTE: THE MOTION CARRIED.

6. Minutes

A. Regular Board Meeting Minutes for September 24, 2020

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Abdul Haidous, to approve the meeting minutes for September 24, 2020.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

7. Public Participation

Chairperson Mr. Khalil Rahal declared the meeting open for Public Participation.

DISCUSSION:

➤ Mr. Joel Batterman – Motor City Freedom Riders

Mr. Batterman voiced his concerns regarding the new proposal for the DDOT transit center at the State Fairgrounds and asked if SMART would work with DDOT on this. He also requested SMART add additional stops to the Woodward FAST Route.

8. Chairperson's Report

DISCUSSION:

Chairperson Mr. Kahlil Rahal and the other Board members thanked Ms. Hilarie Chambers for her strong leadership and hard work as SMART's Chairperson.

Chairperson Rahal stated the first order of business for the SMART Board will be to hire a General Manager.

9. Staff Report

Mr. Robert Cramer, Deputy General Manager, provided the Board with an Authority update and reported on the following:

- COVID Impacts
- Fixed Route Riders/Service Levels
- Public Hearings on November 18th
- Electronic Screening Questionnaire rolled out to all staff in October
- Working on new agreement with OCPTA to continue partnership
- Farmington/Farmington Hills Dial-a-Ride Moovit Partnership
- Microtransit Pilot Zones RFP On the Street
- 2021 State Budget: no impact to SMART
- Remote meetings permitted through 2020 for any reason
- Skill building: team training for high level staff, will be extending to all admin staff
- Procurement Manual & Policy Update

Ms. Hilarie Chambers asked if SMART's passengers are complying with wearing a face mask and if the bus drivers are comfortable with their compliance. Mr. Cramer's response was yes.

10. New Business

A. Resolution: Authorization to Award a Contract for Bus Vapor Shields and Wheelchair Restraints

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Abdul Haidous, that the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$5,927,506.00 to Midwest Bus.

DISCUSSION:

Mr. Royce Maniko wanted to know the size and cost difference of the fleet. Mr. Robert Cramer informed the Board there is a difference of 23 buses and they are approximately \$26,000.00 per bus.

VOTE: THE MOTION CARRIED.

B. Resolution: Authorization for Purchase Order Change Action (POCA) #1 for a Six (6) Month Contract Extension for Buhl Building Deep Cleaning Sprays

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Royce Maniko, that the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a 6-month contract extension for Buhl Bldg. deep cleaning sprays for a total of \$90,000.00 to Professional Building Maintenance.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

C. Resolution: Authorization for Purchase Order Change Action (POCA) #8 – Fueling Improvements & Macomb Terminal Pavement Project Changes

MOTION: Moved by Mr. Bret Rasegan, seconded by Mr. John Paul Rea, that the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve POCA #8 in the amount of \$422,801.51 to R.W. Mercer Co.

DISCUSSION:

Mr. Royce Maniko wanted to know why the Oakland terminal was more expensive than the Wayne Terminal. Mr. Patrick Haire of HRC informed the Board the main difference was just distance and routing of the fiber optics.

VOTE: THE MOTION CARRIED.

D. Resolution: Authorization for Purchase Order Change Action (POCA) #9 – Fueling Improvements & Macomb Terminal Pavement Project Changes

MOTION: Moved by Mr. Abdul Haidous, seconded by Mr. John Paul Rea, that the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a POCA #9 in the amount of \$240,620.00 to R.W. Mercer Co.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

E. Resolution: Authorization to Amend Contract with MERS

MOTION: Moved by Mr. Royce Maniko, seconded by Mr. Abdul Haidous, that the Suburban Mobility Authority for Regional Transportation (SMART) is authorized to approve the adoption of the Addendum to the agreement between SMART and MERS to reflect SMART's current plan administration and directs the Director of Human Resources to execute all documents necessary to adopt the addendum.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

11. Board Member Business

DISCUSSION:

Mr. Abdul Haidous asked if SMART was in compliance with the Americans with Disabilities Act. Mr. Avery Gordon, SMART's General Counsel, confirmed SMART is and SMART can have a sign language interpreter available, when requested. If necessary, SMART can also have Text Telephone (TTY) and Telecommunication Device (TDD) available.

12. Executive Session

Present: Chairperson Mr. Khalil Rahal, Ms. Hilarie Chambers, Mr. Abdul Haidous, Mr. Royce Maniko, Mr. Bret Rasegan, and Mr. John Paul Rea

MOTION: Moved by Mr. John Paul Rea, seconded by Ms. Hilarie Chambers, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation proceed into Executive Session to discuss Union Contract Negotiations.

VOTE: All in attendance voted in the affirmative. **THE MOTION CARRIED.**

DISCUSSION:

Confidential

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Bret Rasegan, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation proceed out of Executive Session.

VOTE: All in attendance voted in the affirmative. **THE MOTION CARRIED.**

Adjournment

There being no further business to come before the Board, upon motion made by Mr. John Paul Rea, seconded by Mr. Bret Rasegan, and unanimously carried, the meeting adjourned at 3:58 PM.

Respectfully submitted,

Tiffany C. Martin-Patterson
Secretary to the Board of Directors

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

SPECIAL BOARD OF DIRECTORS MEETING

PROPOSED MINUTES – November 19, 2020

A special meeting of the Board of Directors of the Suburban Mobility Authority for Regional Transportation (SMART) was held on Thursday, November 19, 2020 at 10:00 AM. The meeting was held via a digital public video conference.

ATTENDANCE

SMART Board of Directors:	Chairperson	Mr. Khalil Rahal
	Vice-Chairperson	Ms. Vicki Wolber
		Ms. Hilarie Chambers
		Mr. Bret Rasegan
		Mr. John Paul Rea
Absent:		Mr. Abdul Haidous
		Mr. Royce Maniko
SMART Board Secretary:		Ms. Tiffany Martin-Patterson
SMART General Manager:		None
SMART Staff Present:		Ms. Truvae Adams
		Ms. Beverly Anderson
		Mr. Brandon Adolph
		Mr. Fred Barbret
		Mr. Ronald Beier
		Ms. Haley Barrett
		Ms. DeShalone Brownlee
		Mr. Ryan Byrne
		Mr. L. Burt
		Ms. Sabrina Clay
		Mr. Robert Cramer
		Ms. Beverly Crockett
		Mr. Thomas Dick
		Mr. Andrew Dodt
		Mr. Dennis Ellis
		Mr. Melvin Evans
		Ms. Beth Gibbons
		Mr. Avery Gordon

Ms. Sarah Gryniewicz
Mr. Dustin Hagfors
Ms. Melissa Hightower
Mr. Dana Hilthon
Mr. J. Hodgers
Ms. Lynn Hurt
Ms. Vickie Jordan-Strugs
Ms. Carol Jones
Ms. Diane Jones
Mr. Mike Kloosterman
Mr. Lafayette Kelley
Mr. Daniel Kennedy
Mr. Joe Kim
Ms. Kevin Lynch
Ms. Anika Parker
Mr. Michael Patten
Mr. Konner Petz
Ms. Nichole Peters
Ms. Lacey Shepard
Ms. Kirsten Silwanowicz
Ms. Leeya Sutter
Mr. Darrell Taylor
Ms. Michelle Thomas
Mr. Andy Thorner
Mr. J. Tory
Ms. Vita Venditti
Mr. Tony Vinson
Mr. Mike Walter
Ms. Patty Waling
Mr. Jeremy Waechter
Ms. S. White
Ms. Brenda Ynclan

Public Registered:

1.313.580.**17
1.734.905.**01
1.313.452.**24
1.313.433.**58
1.313.283.**35
1.313.223.**00
1.734.461.**59
1.734.905.**01
1.313.283.**35
1.734.796.**75

1. Call to Order

A) Pledge of Allegiance

2. Roll Call

Present: Chairperson Mr. Khalil Rahal, Vice-Chairperson Ms. Vicki Wolber, Ms. Hilarie Chambers, Mr. Bret Rasegan, and Mr. John Paul Rea

Absent: Mr. Abdul Haidous, Mr. Royce Maniko

A quorum was present.

3. Public Notice and Rules of Order

The Secretary read the Public Notice and Rules of Order into the record.

4. Adoption of Agenda

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Bret Rasegan, to approve the amended Agenda to add Executive Session meeting minutes and Non-Represented Wage Increase as agenda item C and Retention Bonuses as agenda item D for the November 19, 2020 Board meeting.

DISCUSSION

None

VOTE: THE MOTION CARRIED.

5. Minutes

A. Executive Session Meeting Minutes for October 22, 2020

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Bret Rasegan, to approve the meeting minutes for October 22, 2020.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

6. Public Participation

Chairperson Mr. Khalil Rahal declared the meeting open for Public Participation.

DISCUSSION:

None

7. Chairperson's Report

DISCUSSION:

None

8. Staff Report

Mr. Robert Cramer, Deputy General Manager, provided the Board with an Authority update and reported on the following:

- Quick Connect has launched
- Final approach for April service changes
- Working with DDOT on fares
- Next board meeting:
 - April 2021 Services Changes
 - Microtransit
 - Automated Bus Consortium
 - Audit Committee (1:00 pm) and Approval

Chairman Rahal wanted to know the total number of people in attendance for the Public Hearing on Wednesday, November 18th. Mr. Vinson informed the Board that 30 people participated by ZOOM and 15 participated in person at the Dearborn Transit Center. Mr. Rahal also wanted to know when SMART will resume collecting fare. Mr. Cramer informed the Board that SMART is in the process of collaborating with DDOT and working through other issues.

9. Executive Session

Present: Chairperson Mr. Khalil Rahal, Vice-Chairperson Ms. Vicki Wolber, Ms. Hilarie Chambers, Mr. Bret Rasegan, and Mr. John Paul Rea

MOTION: Moved by Mr. John Pau Rea, seconded by Ms. Hilarie Chambers, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation proceed into Executive Session to discuss Union Contract Negotiations.

VOTE: All in attendance voted in the affirmative. **THE MOTION CARRIED.**

DISCUSSION:

Confidential

MOTION: Moved by Mr. John Paul Rea seconded by, Mr. Bret Rasegan that the Board of Directors of the Suburban Mobility Authority for Regional Transportation proceed out of Executive Session.

VOTE: All in attendance voted in the affirmative. **THE MOTION CARRIED.**

10. New Business

A. **Resolution: Approval of Labor Agreement between the Suburban Mobility Authority for Regional Transportation and the Amalgamated Transit Union (ATU), Local 1564, Fixed Route Operators Unit**

MOTION: Moved by Ms. Hilarie Chambers, seconded by Mr. John Paul Rea, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation approved the Agreement between the Amalgamated Transit Union (ATU), Local 1564, Fixed Route Operators Unit, and the Suburban Mobility Authority for Regional Transportation, effective November 11, 2020 through December 31, 2022, and authorizes the suburban Mobility Authority for Regional Transportation to execute said agreement.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

B. Resolution: Approval of Labor Agreement Between the Suburban Mobility Authority for Regional Transportation and the Amalgamated Transit Union (ATU), Local 1564, Clerical Unit

MOTION: Moved by Mr. John Paul Rea, seconded by Mr. Bret Rasegan, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation approves the Agreement between the Amalgamated Transit Union (ATU), Local 1564, Clerical Unit, and the Suburban Mobility Authority for Regional Transportation, effective November 11, 2020 through December 31, 2022, and authorized the Suburban Mobility Authority for Regional Transportation to execute said agreement.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

C. Resolution: Authorization to Increase Wages for Non-Union Employees

MOTION: Moved by Ms. Vickie Wolber, seconded by Mr. John Paul Rea, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby authorizes SMART to provide an across-the-board wage increase in the amount 2% for non-union employees effective January 1, 2021.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

D. Resolution: Authorization to Pay a Retention Bonus to the Membership of Teamsters Local 247 Employees and AFSCME Local 1786, and Non-Union Employees

MOTION: Moved by Mr. Bret Rasegan, seconded by Mr. John Paul Rea, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby authorized SMART to provide a Retention Bonus payment in the amount of \$1,300, less required tax withholdings to the membership of Teamsters, Local 247, AFSCME, Local 1786 and non-union employees.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

11. Board Member Business

DISCUSSION:

Chairman Rahal thanked SMART's staff and unions for coming to an agreement during this difficult time.

Adjournment

There being no further business to come before the Board, upon motion made by Mr. John Paul Rea, seconded by Ms. Vickie Wolber, and unanimously carried, the meeting adjourned at 10:41 AM.

Respectfully submitted,

Tiffany C. Martin-Patterson
Secretary to the Board of Directors

DATE:	December 10, 2020	DISPOSITION SOUGHT:	Board Approval
TO:	SMART Board of Directors	SUBMITTED BY:	Director of Transportation
FROM:	Service Development	APPROVED BY:	Deputy GM

SUBJECT: Approval of Fixed Route April 2021 Service Changes

RECOMMENDATION:

That the Board approve the proposed Fixed Route Service Changes as attached, to be implemented during the regular SMART April 2021 service change. The proposed changes are significant enough that, per SMART's FTA-compliant policies, they require public hearings and Board approval prior to implementation.

SUMMARY:

In April 2020, the SMART Board of Directors approved the SMART PATH Plan, which included multiple phases of improvements, changes and adjustments to SMART services over the next 3-5 years. A set of route modifications consistent with the SMART PATH Plan Phase I are planned as part of our regular April 2021 service changes, including: Several route adjustments including adding service to the Detroit River International Wildlife Refuge in Trenton; eliminating Groesbeck flex route and adding Grosebeck fixed route; and eliminating the 567 New Baltimore Fixed Route (the area will be served with microtransit service).

DISCUSSION:

The complete list of proposed changes is as follows:

Route Extension/Redesign:

- 140 Southshore extending along Eureka Road and Trenton Road to serve the Meijer in Southgate.
- 160 Downriver redesigning to extend service south along Jefferson Avenue to the Detroit River International Wildlife Refuge in Trenton and extend north along Dix Highway and the Southfield Freeway to the John D. Dingell Transit Center in Dearborn.
- 200 Michigan Avenue Local extending northern branch to the Meijer in Westland via Newburgh Road, Cherry Hill Road, Central City Parkway, and Warren Road.
- 280 Middlebelt South extending along Beech Daly Road to serve the Meijer at Grand River Avenue and McNichols Road.
- 330 Grand River-Beech Daly extending to serve Meijer at Grand River Avenue and McNichols Road. Service along Beech Daly Road to be replaced by 280 Middlebelt South.

Service Replacements

- 525 Groesbeck new Fixed Route between 8 Mile Road/Van Dyke and Meijer on Groesbeck in Cass in Clinton Township. The route would replace the current Groesbeck Flex Route.
- 567 New Baltimore/Lenox Fixed Route replaced with new demand response microtransit service, which is planned to start prior to the elimination of Route 567.

Outreach:

SMART staff conducted extensive outreach in the development of the SMART Path Plan.

Additional outreach was conducted for the proposed April 2021 changes. Staff posted the proposed changes and notified the public through SMART's website, on the inside of buses, social media (Twitter/Facebook/text messaging), and in the Detroit Free Press/Detroit News, the Michigan Chronicle, in SMART's ticket sales office, and on SMART's website.

SMART staff has conducted an in person public meeting (Nov 16; 8 members of the public) and two virtual public hearings via Zoom (Nov 18; 18 and 12 members of the public). Comments were recorded during the virtual public hearings and in person meeting. In addition, comments were gathered via email at publichearing@smartbus.org and regular mail.

FUNDING SOURCE:

The budget for the proposed service modifications is contained in the current fiscal year budget.

ATTACHMENTS:

1. Resolution
2. Public Hearing Presentation Slides
3. Comments and questions from the Public
4. Public Notices

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
RESOLUTION

Approval of Fixed Route April 2021 Service Changes

- Whereas, The Suburban Mobility Authority for Regional Transportation is charged with the planning, operations, and improvement of regional public transportation in Southeastern Michigan; and
- Whereas, SMART's Board of Directors has approved the Fixed Route Comprehensive Operational Analysis Plan (SMART PATH Plan); and
- Whereas, A set of service improvements outlined in Phase I has been selected for the second set of major service changes as recommended in the SMART PATH Plan; and
- Whereas, Staff conducted extensive public and driver involvement consistent with the requirements identified in SMART's Public Involvement Plan, and adjustments to the final service change proposal were made based on that input; and
- Whereas, The cost of the changes in this implementation are within the budgeted operational line items in the approved SMART FY 2021 Budget; now, therefore be it
- Resolved, That the proposed set of significant fixed route service changes based on the SMART PATH Plan are approved by the Board of the Suburban Mobility Authority for Regional Transportation, and the changes can be finalized and implemented by staff at the April 2021 regular service change.

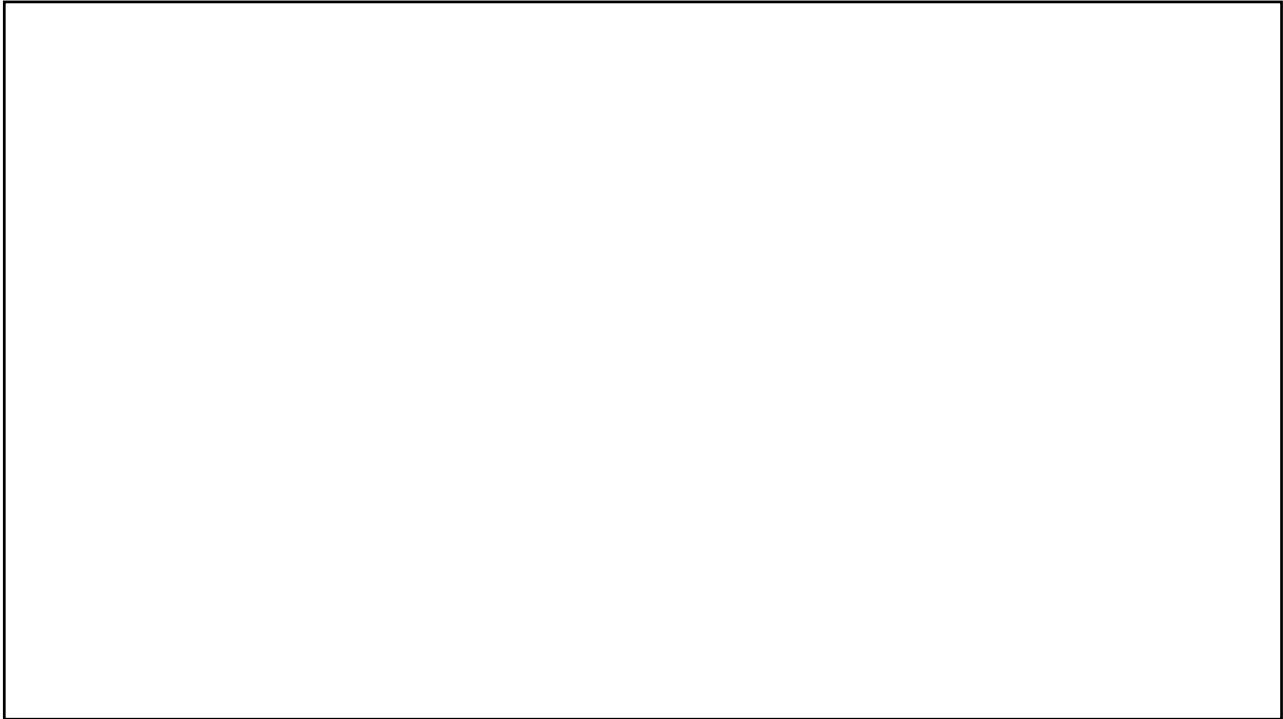
CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

The SMART logo is positioned on the left side of the lower section. It features a red stylized 'S' with the word 'RIDE' in a smaller font below it, followed by the word 'SMART' in a large, bold, black, italicized font with a registered trademark symbol. To the right of the logo is a graphic consisting of three colored lines (blue, red, and green) that start from the top left and trend upwards to the right. Each line has a circular dot at its starting point and ends in an arrowhead. Small icons of buses in red, blue, and green are placed along the lines. The blue line has a red bus icon, the red line has a blue bus icon, and the green line has a green bus icon.

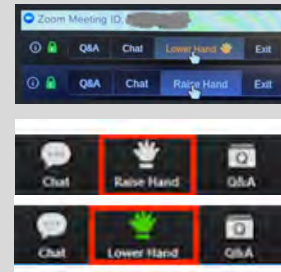
Proposed Service Adjustments
April 2021

ZOOM Your Comments to SMART

After the presentation, we'll take comments.

- Connected via Web:
 - Type your question in "Q&A"
 - Raise your hand to make verbal comment
- Connected via Phone:
 - Raise hand to make verbal comment
 - Press *9 to raise/lower your hand
- *Please be kind, courteous, and limit comments to 3 minutes or less.*

Let us know you'd like to comment by raising/ lowering your hand:



Or, use a shortcut:

Windows can use Alt + Y to raise/lower
Mac can use Option + Y to raise/lower

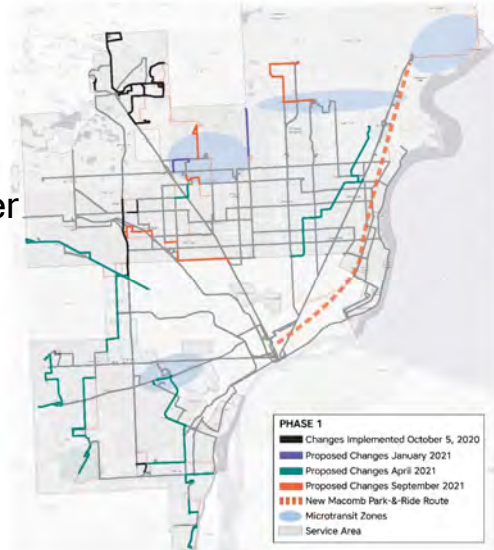
SMART Path Plan

- A 2 year in-depth study of the current Fixed Route system
- Public input included on-board survey, in-person meetings, and digital engagement
- Developed potential changes to improve efficiency, increase frequencies and pilot new service delivery options



Plans for the Next Year

- Implement proposed changes over the next year
- Coordinate with service changes - January, April, June and September
- Official Public Hearing scheduled November 18th via Zoom
- We need **your** input!



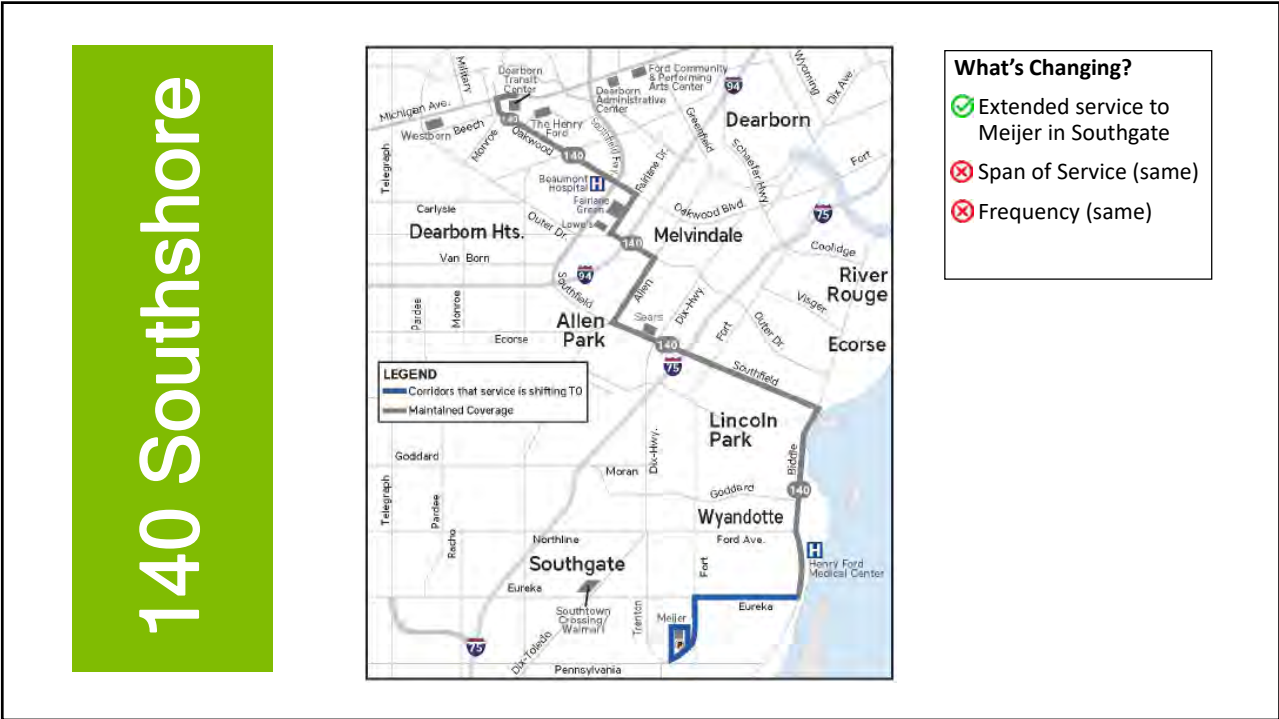
April 2021

Proposed Route Changes

- 140 Southshore
- 160 Downriver
- 200 Michigan
- 280 Middlebelt
- 330 Grand River - Beech Daly
- 525 Groesbeck **NEW!**
- 567 New Baltimore/Lenox

140 Southshore

- Extend to the Meijer in Southgate
- Creates a strong anchor and provides more potential for bi-directional ridership
- Provides access to more retail and medical destinations as well as several multi-family housing communities



160 Downriver

- Improves connectivity to Downriver
- Southern end of the route would extend to the Detroit River International Wildlife Refuge
- Northern end of the route would extend along Dix Highway and the Southfield Freeway to the Dearborn Transit Center
- Shifting service from:
 - Sibley Road/West Jefferson Avenue, Eureka Road/Ford Avenue/Biddle Avenue, & Racho Road
- Shifting service to:
 - King Road/Fort Street & Eureka Road/Pardee Road (Meijer & Southland Center)

160 Downriver

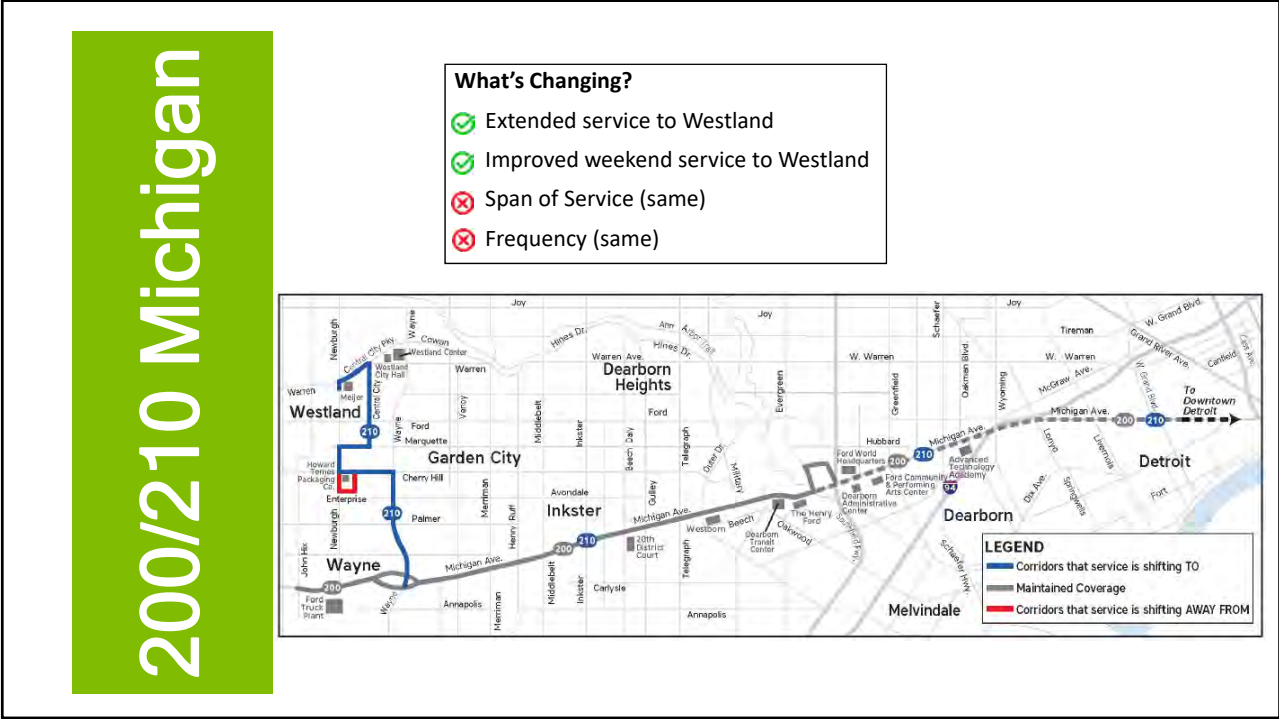


What's Changing?

- ✓ Extended service to Dearborn Transit Center
- ✓ Extended service to Detroit River International Wildlife Refuge
- ✗ Span of Service (same)
- ✗ Frequency (same)

200 Michigan

- Split into two different routes in order to serve endpoints consistently.
- **Revised 200 Michigan Avenue Local**
 - Route ends at the Ford Michigan Assembly Plant and will follow current routing.
 - Serves the Michigan corridor with more frequent service and a simplified schedule.
 - Trips will no longer alternate to John Hix providing consistent service.
- **Proposed Name: 210 Michigan Avenue to Westland**
 - Follows current 200 routing to/from the City of Detroit during peak and off peak hours and at Wayne Road to Howard Ternes Packaging.
 - Extend route north to Meijer in Westland via Newburgh Road, Cherry Hill Road, Central City Parkway, and Warren Road.
- Establishes a strong anchor and potential for future weekend service
- Increased access to more retail and industrial employment complexes.



280 Middlebelt

- **Proposed Name: 280 Western Wayne Crosstown**
- Service shifting from Merriman Road to Smith Road south of Ecorse to connect to Amazon facility in Romulus
- Extending route north to replace 330 Grand River service on Inkster, Joy, and Beech Daly
- Northern end of the route would extend to Meijer in Detroit at Grand River and McNichols

280 Western Wayne Crosstown



What's Changing?

- ✔ Extended service to Meijer in Detroit via Beech Daly
- ✔ Connections to Amazon in Romulus
- ✘ Span of Service (same)
- ✘ Frequency (same)

330 Grand River - Beech Daly

- **Proposed Name: 305 Grand River**
- Eliminating Beech Daly portion of the route which would be replaced by new proposed 280 Western Wayne Crosstown
- New southern end of the route would to Meijer in Detroit at Grand River and McNichols
- Route will shift off Grand River briefly to 9 Mile to serve the West River Shopping Center

305 Grand River



What's Changing?

- ✓ Extended service to Meijer in Detroit
- ✓ Elimination of Beech Daly corridor
- ✗ Span of Service (same)
- ✗ Frequency (same)

525 Groesbeck

- Replaces the existing Groesbeck Flex Route
- Will operate Monday - Friday from 5:00AM to 7:00PM
- Will provide frequent service along Groesbeck while connecting to several SMART routes along the way
- Connections to shopping destinations, McLaren Macomb Hospital, and Macomb Community College South

525 Groesbeck



NEW!

What's Changing?

- ✓ New Fixed Route Service
- ✓ Elimination of Groesbeck Flex
- ✗ Span of Service (same)

567 New Baltimore/Lenox



- Microtransit zone will replace the existing 567 New Baltimore/Lennox.
- Both services will overlap for a short period of time
- Zone will operate in and around the current 567 as well as deeper into New Baltimore
- Span of service will be the same as the current 567

What is Microtransit?

- Microtransit is a flexible, “on-demand” service that acts similar to Uber or Lyft but with a standard SMART fare
- Offers the opportunity for door-to-door service and more dynamic ride scheduling

New Baltimore Microtransit Zone

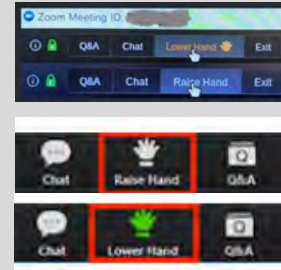


ZOOM Your Comments to SMART

After the presentation, we'll take comments.

- Connected via Web:
 - Type your question in "Q&A"
 - Raise your hand to make verbal comment
- Connected via Phone:
 - Raise hand to make verbal comment
 - Press *9 to raise/lower your hand
- *Please be kind, courteous, and limit comments to 3 minutes or less.*

Let us know you'd like to comment by raising/ lowering your hand:



Or, use a shortcut:

Windows can use Alt + Y to raise/lower
Mac can use Option + Y to raise/lower

ZOOM Your Comments to SMART

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 - Raise hand to make verbal comment
 - Press *9 to raise/lower your hand
- *Please be kind, courteous, and limit comments to 3 minutes or less.*



THIRTY SECONDS LEFT

Public Comment Speakers

1)

Timer Active

Public Hearing Schedule

- In order to comply with Public Act 228 of 2020, public hearings will be by conference call. The public is invited to attend virtually and may participate at the public comment period via smartphone, tablet or computer.
- **Wednesday, November 18, 2020 at 11:30 AM and 5:00 PM**
- The same zoom link will be used for both meetings:

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join.

<https://smartbus.zoom.us/j/91873091930?pwd=eU5HM1pjeFAvYjI0Zi9xWmlwTTV6dz09>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799 or +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or 877 853 5247 (Toll Free) or 888 788 0099 (Toll Free)

Webinar ID: 918 7309 1930

International numbers available: <https://smartbus.zoom.us/j/a1LtvFuI>

Provide Feedback

- Comment deadline is end of day on Thursday, November 18th
- Feedback is accepted via:
 - Email: PublicHearing@smartbus.org
 - Facebook and Twitter
 - Phone: (866) 962-5515; press 2
 - Mail:

Public Hearing - SMART Administrative Offices
535 Griswold Street, Suite 600
Detroit, MI 48226

Thank You!



Questions/Comments

Name: Rick Miller

Address:



Email:



ate: 11-16-22


160 Rt Run Dix to Oakwood Oakwood to
Southfield Freeway to Michigan Ave.

Possibly split the 160 into 2 routes
160 from Dearborn Transit to Southland
Southland to Trenton



Questions/Comments

Name: Sheldon Robinson

Address: 

Email: _____

Date: 11/16/20

140 - I like it But Please let it run
on the weekend .

~~210~~

210 - good Idea - ~~But~~ But go to
westland mall too



Questions/Comments

Name: Scott Burch-11

Address: [REDACTED]

Email: [REDACTED]

Date: 11/16/2020

Is it possible to get a 261 stop at Central
and Mich. gov?

SMART Public Hearing Attendee Report
November 18, 2020 at 11:30 a.m.
Webinar ID - 918 7309 1930

Actual Start Time: 11/18/2020 11:20 a.m., Actual Duration 74 minutes

Question Details

#	Question	Asker Name	Answer(s)
1	is this supposed to start at 11:30	Christina Potts	
2	Good Morning Everyone! My name is Mike Rates and I am one of the Senior Leaders at the Amazon facility in Romulus. One of my team members was working with Brandon Adolph on trying to see if we can implement a temporary change for our PEAK season that starts next week. Brandon suggested that I join this call. Our inquiry is around the start times for our associates for the next 5 weeks. Are you able to adjust the bus times that come from the East (Detroit area) to have the first bus drop	Mike Rates	live answered
3	Off at 5:15 or 5:30 am for just the weeks of 11/22 through the end of 12/26 week. It would just be the 5 week time period. This will allow our associates to get to work on time. Any help would be greatly appreciated.	Mike Rates	We will look into this concern and let you know how we may be able to help. Please email dhilthn@smartbus.org with your contact information and we will be in touch.
4	For the 330, why are you changing the service away from the West River Shopping Center Target?	Jacob Graham	live answered
5	When are you going to bring back service to/from Downtown during peak hours?	Anonymous Attendee	live answered
6	Mick Zurek of Chesterfield. You mentioned the hub at 23& Gratiot, but there currently isn't one. The situation there is pretty dangerous right now, with a lot of people making risky crossings of Gratiot to go from the 567 to the Gratiot busses	mickz	live answered
7	This is a comment versus a question: My name is Jody DeMeyere. I am representing the USFWS's Detroit River International Wildlife Refuge. The Refuge opened the grounds around the John D. Dingell Jr. Visitor Center in Trenton, MI on October 1, 2020. We refer to this area as the Refuge Gateway. This area acts as a gateway, to not only Refuge lands in SE Michigan, but will also provide visitors a free way to connect with nature and engage in outdoor recreation. As a nationally designated Urban Refuge, we have been tasked with finding unique ways to assist residents with overcoming barriers that keep them from making meaningful connections to nature. Transportation to safe, clean, welcoming natural areas is one barrier we can overcome with the help from this modified SMART bus route. We are ready for the busses to shown up! Refuge Gateway roads have already been constructed with ease of navigation for large busses, including spaces for a bus drop off, and outdoor porta potteries have been provided.	Jody DeMeyere Detroit River IWR	live answered

8	<p>Indoor restroom facilities will open when construction completes on the Visitor Center.</p> <p>Case studies have shown that public transit connections to public lands see an increase in ridership on routes that add a stop to public land area, park, or natural, cultural, and historical attractions. We have seen this first hand at other NWRs across the country. We envision seeing these same results here in SE Michigan.</p> <p>We also hope to model that routes with recreation destinations will encourage more first time users of public transit, as it adds to the experience of their overall trip.</p> <p>As the Refuge Gateway is marketed as a destination, this bus route will allow residents in and around Detroit access to a state of the art fishing pier, over three miles of trails, and an endless array of recreational opportunities.</p> <p>Our goal is this modified route will create more visibility of SMART service in the Downriver area, regionally, and even nationally, as we share our experiences with other NWRs across the country.</p>	Jody DeMeyere Detroit River IWR	live answered
9	<p>In addition, adding the Refuge Gateway as a stop on this route will strengthen our partnership with WCCD. Discussions have begun to host biological classes in the new visitor center. Students would now have the opportunity to arrive via SMART buses for their course work.</p> <p>Refuge staff are beyond thrilled about the modified Downriver route.</p> <p>Thanks!</p>	Jody DeMeyere Detroit River IWR	live answered

SMART Public Hearing Attendee Report
November 18, 2020 at 5:00 p.m.
Webinar ID - 918 7309 1930

Actual Start Time: 11/18/2020 4:44 p.m., Actual Duration 76 minutes

Question Details

#	Question	Asker Name	Answer(s)
1	From Thomas how many buses are going to be on each new route	Thomas Henry	Thomas - That has yet to be determined. We expect to have 60 minute headways at this time.
2	with the covid 19 issue going on as a frequent rider i see first hand And hear first hand Most theses people are not essential workers. so until said time why not limit artifice on Saturdays and Sundays and make the week days longer because transportation is one way that's helping viruse spread because these people are not really going to essential places and they don't rally adhere to requirements	Andrew's IPAD	We do encourage riders to use transit for essential trips and to adhere to wearing a mask. However, as a provider of public transit , SMART can not ask an individual the purpose of their trip.
3	Thank you for adding Dix on the 160, that will help me travel. With the Meijer in Southgate being a transfer point for the 140 and the 160, what will the transfer area be/look like? The stop iscurrently on the west side of the Meijer parking lot, but I think there are bus shelters on the east side of the parking lot. - Je'quwann Davis	Anonymous Attendee	live answered

4	Explain about Micro Transit in Dearborn. Thanks.	LWV DDH	live answered
5	destination being a bus stop	Anonymous Attendee	live answered
6	Will you guys keep the 160 going down West Rd all the way to Grange Rd in Trenton, after you guys get these changes approved before April 2021 and implemented in April 2021? And can you guys get a shelter at the bus stop for the Meijer in Southgate and possibly another stop on the Eastern side of the parking lot at the Meijers, When these changes go into effect, Next year of April 2021?	Robert Pawlowski	Yes, the bus will continue down West to Grange and then return to travel down to the Wildlife Refuge. As for shelters at Meijer, it depends on whether Meijer allows us to if it is on their private property. That is something we can look into.
7	I agree whole heartedly about Fairlane Green. I wish it would stop in front of Target	Anonymous Attendee	live answered
8	Yes, it is very dangerous crossing that lane for sure. And no cement to walk on to get to bus stop after crossing	Anonymous Attendee	Noted. Thanks for the feedback.

From: [Josh Lewis](#)
To: [Public Hearing](#)
Subject: Y'all should consider on extending the 200 the Walmart in Canton on Michigan Ave & Belleville Rd if possible. Same as the 250 going to the Meijer on Ford Rd & Canton Center.
Date: Thursday, November 19, 2020 12:17:03 AM

From: [Kim Rock](#)
To: [Public Hearing](#)
Subject: bus 160 to Detroit River Intl Refuge
Date: Wednesday, November 18, 2020 8:23:06 PM

What a wonderful idea to have bus 160 Downriver stop at the Detroit River International Wildlife Refuge! I support this suggestion entirely as a way both to assist people in reaching this fantastic nature area and learning center but also as a climate smart way to cut down on car traffic.

Please, make the Refuge available to all Wayne County citizens.

Sincerely,
Kim Rock
Grosse Ile

From: [REGINALD NEAL](#)
To: [Public Hearing](#)
Subject: I like the new changes with that of SMART I wish that the 140 Southshore could run on weekends
Date: Wednesday, November 18, 2020 1:53:03 PM

Here's what I think about the all-new changes in which that is SMART as well as of myself when it comes to certain malls that you can access such as of Fairlane Green Shopping Center over in Allen Park ever since I have retired from the United States Postal Service (in terms of the Detroit Network Distribution Center two years ago) in which that I retired from I am very glad that I,m gone from there although when it comes down to catching the 140 Southshore bus to Fairlane Green to go to Meijers, Barnes & Noble Bookstore and Target's it seems that the bus does not run on weekends (Saturday and Sunday) and I think it would be great if they could run on weekends although I can go to this mall much more often even though I would like to come to the public hearings if there is not anything to do else to do so I have to be the caretaker for my mother although I would have wanted to come on last Monday this week it I didn't have to take some time to fix my computer after the power outages (November 1) so that I hope that I could come to the public hearings next time wherever it may be where as I might have to get an cab next time Thank you very much!!!!!!.....

Reginald Neal



From: [Jen](#)
To: [Public Hearing](#)
Subject: 4 Additional Points + Repeat of my Comment from 2020 11 18 Hearing regarding Apr. 2021 Service Changes
Date: Wednesday, November 18, 2020 2:29:04 PM

I was in-attendance at the Wed., Nov. 18 /20 11:30 am. online public hearing via Zoom. Thank you for addressing my questions and concerns during that. I just wanted to send the text of my initial comment (modified only slightly) for your records, followed by a couple other comments I have not necessarily directly-related to the April 2021 route changes.

"I live in Wyandotte, 1 block off of Northline. Up until the pandemic, the closest stop to me was Stop ID #22044 for the 160 bus @ Ford. Ave. & 10th St., a < 3-min. walk from my house. Now that the 160 bus no longer services this area, my nearest stops are 0.8 miles & 1.0 miles away, respectively, for the Northbound & Southbound 125 bus on Fort St.; & 0.9 miles to the stops for the 140 bus on Biddle - walkable distances, but a very difficult trek when carrying a bunch of heavy grocery bags or luggage. Ceasing service of the 160 bus down the strip of Northline (Ford Ave.) between Fort St. & W. Jefferson (Biddle Ave.) effectively cuts this part of the city off from a lot of places, like Wayne County Community College, Southland Mall & other shopping in Taylor; along with Roosevelt Highschool, the post office, and the Meijer & Kroger in Southgate. This part of Downriver is not very walkable. Crosswalks to get to the other side of the 8-10 lanes of Fort St. are spaced 1 mile apart with no pedestrian overpasses. Even before the elimination of the 160 bus, public transit to here was already lacking; now it's even worse. Anytime I find a lead on a job in my field (computer programming), I check and either there is no way to get there, or the commute is ~ 4½-hours each way. I do not have a driver's license so public transit & walking are my only ways to get anywhere. I understand that with the elimination of service near me, I now qualify for the 'Connector' service, which I've never used before, but my main concern regarding that is on the return-route: locating a payphone to call the Connector service to come get me, which is something that's become an increasingly difficult thing to find. I don't own a cellphone [I know I am a minority in this aspect]."

Other Comments:

· It was mentioned that the extension of *some* routes to Downtown Detroit during peak-service hours may resume as early as January. I just want to voice my hopes that the 125 bus is one of the ones slated to continue its peak-hours' route eventually. This is not an immediate concern for me, since what I used it for frequently was to catch the Tunnel Bus to visit my family back home in Essex County in Canada (getting off @ Larned & Brush [Stop ID #8336] on the way there, & back on @ E. Jefferson & Woodward [Stop ID #1132] - *previously @ E. Jefferson & Randolph [Stop ID #963]* - on the return). Since the border has been closed, I have been unable to go see my Mom, sisters, grandmother, & other family in-person anyway so currently it is a non-issue, but once the border reopens and especially after the mandatory quarantine requirement is lifted, I will be looking to use that route once again. It's easy-enough to transfer to the 19 DDOT bus, taking me to Fort & Cass [Stop ID #5657] and walk from there, but Fort Street & Outer Drive [Stop IDs #298 & 295 for transfer to/from DDOT] is not somewhere I am comfortable standing for an extended period of time with a rolly-suitcase.

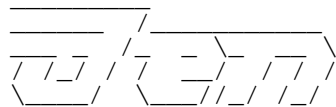
· I know talks for this have ceased for the time-being, but I also want to voice my wish on-record that there will someday be a train/light-rail system, similar to the MetroLink train in St. Louis, Missouri (where we were living for the 6 yrs. prior to August 2018 when we moved here upon my husband's retirement from the military). St. Louis is an excellent example to look at for great public transit. No matter where you were in the city & surrounding suburbs, you were never more than a few blocks from a bus stop; buses always ran on-time, never more than 3 min. off in my experience; and between the buses & MetroLink trains, I could get to anywhere I wanted to go in the greater St. Louis area in under ½ an hour (including to Scott Air Force Base & my doctor over in Illinois on the other side of the Mississippi River). It has been very depressing since we've moved here since it's so hard to get anywhere. I feel stranded and have been unable to find a job in my field I can get to in a reasonable amount of time if even at all. To summarize: I hope talks of a rail system resume at some point in the future and St. Louis Metro Transit is a great model to look at.

· I would like to see weekday arrival times adjusted for the Northbound 140 bus to line-up better with train departure times from Dearborn Amtrak station. Not sure whether the Apr. 2021 changes correct this, but currently the scheduled arrival time of the earliest 140 bus is 2 min. *after* the morning departure time for the train to Ann Arbor, so this is not a trip I've been able to make yet.

· I was extremely happy with the recent addition of the 4-hour Regional Pass last summer. It makes short round-trips much more affordable and transferring to Detroit City buses easier. Please keep this option once regular fare resumes post-lifting of pandemic measures.

Thanks again for addressing my concerns along with everyone else's. The Zoom format was an excellent way to do this and the visuals illustrated the changes really well. I understand that you can't make *everyone* happy and that it's more important to provide service to the greatest number of people - just want to get my opinion in so as to add it to the potential tally of anyone else with similar disappointment in the 160 route change. I am looking forward to taking the bus to the new wildlife refuge. Thank you as well for your responsiveness on Twitter and for the service you *have* kept going during all this. I have been impressed by the effort taken to keep drivers safe & buses clean.

--- Jen Doute,
Wyandotte, MI *SMART Bus/DDOT Rider*



From: [Kathy Houston](#)
To: [Public Hearing](#)
Subject: Ecorse Rd in Taylor
Date: Sunday, November 15, 2020 9:07:46 AM

I am shocked that this area isn't covered by public transit. I have to pay Uber nearly \$20 to go down Ecorse Rd about 2 miles, if that, round trip from my home to get to grocery and pharmacy shopping. I'm hoping this underserved area will be picked up soon! Thanks for letting me share my suggestion!!

Sincerely,

Kathy Houston

From: [Matt Burb](#)
To: [Public Hearing](#)
Subject: Public Hearing
Date: Wednesday, November 4, 2020 11:20:27 AM

A couple of questions regarding the proposed 160:

-Will it use the Southfield Freeway Service Drive or not?

-The Trenton branches should use separate numbers (i.e. 160 to Grange, 170 to DRIWR).

SMART Public Hearing Information for April 2021 Service Changes

NOTICE OF PUBLIC HEARING

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION (SMART)

Proposed Service Adjustments

Notice is hereby given that Public Hearings have been scheduled to consider the following proposals to modify service on the following routes:

- Extension of 140 Southshore along Eureka Road and Trenton Road to serve the Meijer in Southgate.
- Redesign of 160 Downriver to extend service south along Jefferson Avenue to the Detroit River International Wildlife Refuge in Trenton and extend north along Dix Highway and the Southfield Freeway to the John D. Dingell Transit Center in Dearborn.
- Extension of 200 Michigan Avenue Local northern branch to the Meijer in Westland via Newburgh Road, Cherry Hill Road, Central City Parkway, and Warren Road.
- Extend 280 Middlebelt South along Beech Daly Road to serve the Meijer at Grand River Avenue and McNichols Road.
- Extend 330 Grand River-Beech Daly to service Meijer at Grand River Avenue and McNichols Road. Service along Beech Daly Road will be replaced by 280 Middlebelt South.
- NEW 525 Groesbeck route to provide service between 8 Mile Road/Van Dyke and Meijer on Groesbeck in Cass in Clinton Township. The route would replace the current Groesbeck Flex Route.
- Replace 567 New Baltimore/Lenox with new demand response microtransit service.

Wednesday, November 18, 2020 – 11:30 AM

Zoom Meeting

<https://smartbus.zoom.us/j/91873091930?pwd=eU5HM1pjeFAvYjI0Zi9xWmlwTTV6dz09>

Wednesday, November 18, 2020 – 5:00 PM

Zoom Meeting

<https://smartbus.zoom.us/j/91873091930?pwd=eU5HM1pjeFAvYjI0Zi9xWmlwTTV6dz09>

An interpreter for the hearing impaired will be made available if SMART is contacted seven (7) days prior to the public hearings. Comments will also be accepted by telephone via Michigan Relay: 711/866-962-5515 option #2.

For those unable to attend the meetings, written comments will be accepted through November 20, 2017. Written comments should be addressed to “Public Hearing” and mailed to SMART Administrative Offices, 535 Griswold Street, Suite 600, Detroit, MI 48226. Comments may also be emailed to PublicHearing@smartbus.org.

Proposed service change information will be posted on SMART’s website www.smartbus.org or you may call SMART Customer Service for details at (866) 962-5515, Monday – Friday from 6:30 a.m. – 6:00 p.m. and Saturday from 7:30 a.m. – 4:00 p.m.

Classifieds

Oct. 28 - Nov. 3, 2017

ANNOUNCEMENTS

NOTICE OF PUBLIC HEARING SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION (SMART)

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- Replace 367 New Baltimore/Lanex with new demand response microtransit service.

Wednesday, November 15, 2017 – 11:30 AM

Zoom Meeting

<https://smartbus.zoom.us/j/91873081830?pwd=U5hM1pJkFAVYjloZlRkZWlnWm1wTTVkdz09>

Wednesday, November 15, 2017 – 5:00 PM

Zoom Meeting

<https://smartbus.zoom.us/j/91873081830?pwd=U5hM1pJkFAVYjloZlRkZWlnWm1wTTVkdz09>

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For those unable to attend the meetings, written comments will be accepted through November 20, 2017. Written comments should be addressed to "Public Hearing" and mailed to SMART Administrative Offices, 335 Griswold Street, Suite 800, Detroit, MI 48226. Comments may also be emailed to PublicHearing@smartbus.org.

Proposed service change information will be posted on SMART's website www.smartbus.org or you may call SMART Customer Service for details at (866) 862-5515, Monday – Friday from 8:30 a.m. – 8:00 p.m. and Saturday from 7:30 a.m. – 4:00 p.m.

It is anticipated at this time that there will be no additional equipment of fixed asset investment at this time. Marketing and advertising funding for this new service is already appropriated. There will be no general administration salary/fringe expenditure increases incurred by this new service.

It is anticipated that this service will be available in future fiscal years and if current spending and revenue collection levels remain as anticipated, SMART's General Operating Budget will be able to support this program in future years. Total first full year estimated cost of the program as a contractual service is estimated at \$2.4 million with an additional \$28,500 in new fare revenues being generated. The recently approved federal CARES grant has an additional \$1.3 million within the grant to pay for additional micro-transit zones if the Board decides in the future to expand the service.

FINANCIAL CERTIFICATION:

The Director of Finance certifies that there is sufficient appropriation available from additional CARES funding and reduction of services to fund one-half year of estimated new micro-transit service initiative costs and a full year of micro-transit costs for FY 2021/22.

ATTACHMENTS:

1. Resolution

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Amendment to the FY 2020/21 General Operating Budget

Whereas, the Suburban Mobility Authority for Regional Transportation, (SMART) pursuant to PA 204 of 1967, as amended has been empowered to acquire, plan, contract, operate and maintain a transportation system, and facilities within its jurisdiction;

Whereas, SMART pursuant to PA 2 of 1968 as amended is required to amend its operating budget when changes to said budget are required and known; and

Whereas, PA 2 of 1968 as amended also requires SMART to maintain a balanced budget; and; now, therefore be it

Resolved, That the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby approves the budget amendment outlined in the Director of Finance communication to the Board dated 12/10/2020 and hereby increases the line items as follows:

Revenues – NEW	\$677,130
Expenses – Various	\$677,130

and authorizes the Director of Finance to reclassify FY20/21 line items to fund the microtransit program.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No.

DATE:	December 10, 2020	DISPOSITION SOUGHT:	Board Approval
TO:	SMART Board of Directors	SUBMITTED BY:	Deputy GM
FROM:	Purchasing Department	APPROVED BY:	Certification Committee

SUBJECT: Authorization to Award a Contract for Microtransit Pilots

RECOMMENDATION

That the Board adopt the attached resolution authorizing the award of a contract:

- for Microtransit Pilots
- to River North Transit (Via) located at 160 Varick Street, Floor 4, New York City, NY 10013
- for 2 years with 1 year renewal option
- at a total three year cost of \$7,121,526

DISCUSSION

SMART's primary goal is to create the best possible transit network for SMART riders within SMART's available budget. To accomplish this goal, SMART is recommending piloting four microtransit zones within Wayne, Oakland, and Macomb County. Microtransit is anticipated to provide:

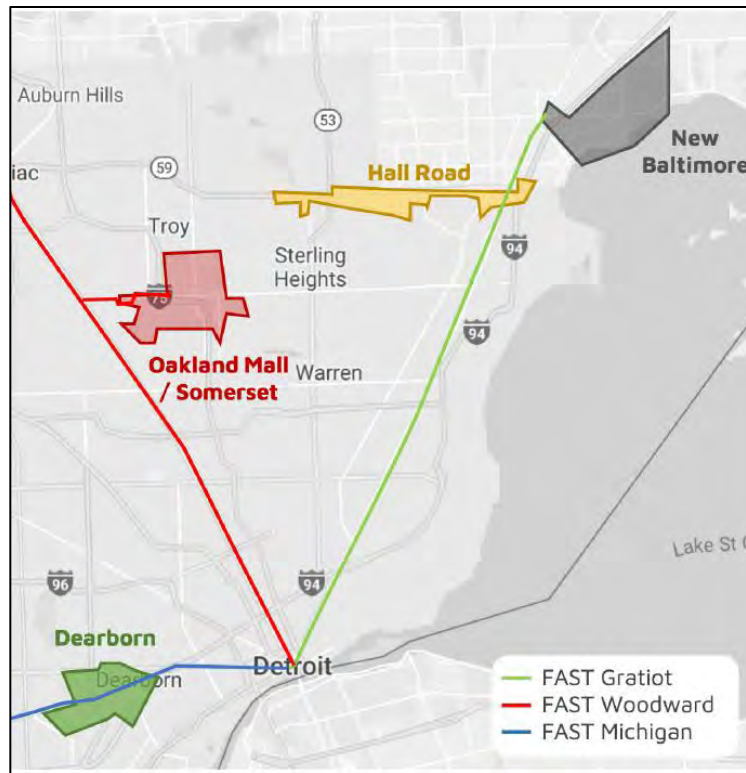
- improved access to transit for people and places that fixed bus routes do not serve well
- more directly matched supply of service to the demand for rides
- shorter wait times
- greater flexibility to hail a ride when needed via an app or phone call.

SMART will use the Microtransit Pilots to better understand this type of service and how it should be included in SMART's overall service plan; and to see how/if microtransit improves mobility for communities, enhances customer experience, and meets operational and economic requirements.

This pilot service will include smaller vehicles with flexible, "on-demand" routing; partnerships between transit agencies and technology providers; and mobile apps for ride hailing, navigation, and payment. SMART plans to employ a turnkey operational model, meaning a contractor would provide the technology, drivers, and vehicles needed for microtransit service. The contractor shall design, operate and iterate four microtransit service pilots and possess the ability adjust service quickly.

The four microtransit pilot zones which cover a total of approximately 52 square miles are:

- **Dearborn, Wayne County, MI.** Service connects several key destinations in the FAST Michigan Ave corridor that are difficult to serve effectively with Fixed Route service. Zone covers East and West Dearborn downtowns, Fairlane Mall, Henry Ford Medical Center, University of Michigan-Dearborn, Henry Ford Community College, and the Henry Ford, and a large DDOT transit hub.
- **Oakland Mall/Somerset, Oakland County, MI.** Service replaces shuttle service that currently runs between two main malls (Oakland Mall and Somerset Mall). Zone is well served by fixed-route services, with most riders using the area as a connecting hub for transit. Destinations in the zone include include two malls as well as several call centers, businesses and hotels. The northern part of the zone is experiencing rapid commercial growth, but is not currently well served by Fixed Route transit.
- **New Baltimore, Macomb County, MI.** Service replaces Route 567 bus, which has a daily ridership of approximately 140 passengers per day, but is not well suited to a lower density area. A more flexible on-demand service is anticipated to more effectively connect riders to the SMART Fixed Route network.
- **Hall Road, Macomb County, MI.** Service connects several destinations difficult to serve effectively with Fixed Route transit and connects with FAST Gratiot. Zone covers two large malls, Macomb Community College, hospitals, and numerous employers and residences.



Microtransit Pilot Zones

PROCUREMENT PROCESS

Procurement Method: Sealed Bid Proposal Quotes Sole Source
 Advertising: Michigan Chronicle and Michigan Inter-governmental Trade Network
 #of downloads: 27
 Number of offerors: Six. Two proposals were determined not responsible due to the vendor's inability to pass the financial requirement.
 Rationale for award: An evaluation and selection committee evaluated the remaining four proposals in accordance with the criteria listed in the RFP. The committee determined River North Transit (Via) submitted the proposal that was most advantageous to SMART with price and other factors considered. Price was determined to be fair and reasonable.

FUNDING & COSTS:

The project is funded via Operating funds (per Board Item 9B). The contract costs are summarized as follows:

	Cost
Year 1	\$2,397,820
Year 2	\$2,397,820
1 year renewal option	\$2,325,886
Total Max	\$7,121,526

ATTACHMENTS:

- Resolution
- Score sheet summary

/mp

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorization to Award a Contract for Microtransit Pilots

- Whereas, SMART's primary goal is to create the best possible transit network for SMART riders within SMART's available budget. To accomplish this goal SMART is recommending piloting four microtransit zones; and
- Whereas, A Request for Proposal (RFP) was advertised and competitive proposals were received; and
- Whereas, Upon evaluation River North Transit (Via) acquired the highest score, submitted a responsive and responsible proposal. The price was determined fair and reasonable; and
- Whereas, Costs for three years of service in the amount of \$7,121,526 will be funded by Operating funds; and
- Whereas, The Director of Finance is satisfied that River North Transit (Via) has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that River North Transit (Via) is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now, therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$7,121,526 to River North Transit (Via) for 2 years with 1 year renewal option.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Summary - Score sheet Evaluation
RFP 21-3247
Microtransit Pilots

Consensus Scoring Method	Quality and completeness of proposal	Proven ability to provide quality microtransit program	Qualifications and Experience of Vendor	Experience and Technical Expertise of Staff assigned to SMART	Price	Total
	30	20	20	20	10	100
VENDORS						
River North Transit (Via)	30	20	20	20	5	95
Frist Transit	26	10	14	14	1	65
TransLoc	20	10	12	10	10	62
Spare Labs	10	5	5	5	8	33

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Adopting SMART's Agency Safety Plan

Whereas, the Suburban Mobility Authority for Regional Transportation (SMART) is required by Federal Law to adopt an Agency Safety Plan by December 31, 2020, and

Whereas, SMART staff have developed an Agency Safety Plan that establishes a Safety Management System with accountabilities, targets, and structures designed to ensure the safety of SMART's system, employees, and the public SMART serves. Now therefore be it

Resolved, That the Suburban Mobility Authority for Regional Transportation Board of Directors adopts SMART's Agency Safety Plan.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation.

Date

Board Secretary

No. _____

SMART
Public Transportation Agency Safety Plan

December 10, 2020

1. Transit Agency Information

Transit Agency Name	Suburban Authority for Regional Transportation (SMART)			
Transit Agency Address	535 Griswold St., Ste 600, Detroit, MI 48226			
Name and Title of Accountable Executive	Robert Cramer			
Name of Chief Safety Officer or SMS Executive	Darrell Taylor			
Mode(s) of Service Covered by This Plan	MB/DO DR/DO	List All FTA Funding Types (e.g., 5307, 5337, 5339)	5307, 5309, 5310, 5339	
Mode(s) of Service Provided by the Transit Agency (Directly operated or contracted service)	MB/DO DR/DO DR/PT (Subrecipients, managed via SMART oversight procedures and State of Michigan)			
Does the agency provide transit services on behalf of another transit agency or entity?	Yes <input type="checkbox"/>	No X	Description of Arrangement(s)	N/A
Name and Address of Transit Agency(ies) or Entity(ies) for Which Service Is Provided	N/A			

2. Plan Development, Approval, and Updates

Name of Entity That Drafted This Plan	Suburban Mobility Authority for Regional Transportation (SMART)	
Signature by the Accountable Executive	Signature of Accountable Executive	Date of Signature
Approval by the Board of Directors or an Equivalent Authority	Name of Individual/Entity That Approved This Plan	Date of Approval
	SMART Board of Directors	
	Relevant Documentation (Title and Location)	
	A copy of the Board Resolution approving the Agency Safety Plan is maintained on file by Chief Safety Officer.	

Version Number and Updates			
<i>Record the complete history of successive versions of this plan.</i>			
Version Number	Section/Pages Affected	Reason for Change	Date Issued
1	--	New Document	12/10/2020

Annual Review and Update of the Agency Safety Plan
SMART's Risk Manager will coordinate the annual review of the ASP, beginning with a notification to all departments by March 1 of each year that they must review the ASP.

3. Safety Performance Targets

Safety Performance Targets

Specify performance targets based on the safety performance measures established under the National Public Transportation Safety Plan.

SMART's established safety performance targets for the period January 1, 2021, through December 31, 2021, are based on our review of the last five (5) years of SMART's safety performance data, vehicle revenue miles (VRM), and major mechanical system failures fatalities and injuries reported to the National Transit Database (NTD). Note, data in Connector for 2015, 2016, and 2017 contained outliers, so target is based on average of 2018 and 2019.

Mode of Transit Service	Fatalities Total	Fatalities /1M miles	Injuries Total	Injuries /1M miles	Safety Events Total	Safety Events /1M Miles	Mean Dist. Between Major Failures
Fixed Route	0	0	52.2	< 5.43	36	< 3.73	> 29,756
Connector	0	0	12.5	< 4.15	13	< 4.32	> 6,786

Safety Performance Target Coordination

Describe the coordination with the State and Metropolitan Planning Organization(s) (MPO) in the selection of State and MPO safety performance targets.

SMART's Accountable Executive will share our ASP, including safety performance targets, with SEMCOG (MPO) each year.

In addition, SMART will coordinate with the State and MPO in the selection of State and MPO safety performance targets as requested and outlined in SMART's Metropolitan Planning Agreement.

Targets Transmitted to the Metropolitan Planning Organization	Metropolitan Planning Organization Name	Date Targets Transmitted
	SEMCOG	December 14, 2020

4. Safety Management Policy

Safety Management Policy Statement

Use the written statement of safety management policy, including safety objectives.

Safety is a core value at SMART, embodied in everything we do. As documented in our ASP, we commit to developing, implementing, maintaining, and continuously improving processes to ensure the safety of our system, employees, and the public we serve. SMART's Safety Management System (SMS) encourages the open sharing of information on all safety issues throughout our organization. We will review and update these objectives, as needed, each year.

Responsibilities and Accountabilities for Safety

To remain consistent with the top-down, organization-wide nature of SMS, our Executives and Board of Directors ensure that organizational resources are allocated to further this commitment and achieve the highest level of transit safety performance. This accountability is supported by all agency employees, who ensure that management has access to the information necessary to strategically deploy resources based on identified safety concerns, establish and support accountability for safety decision-making, and address unacceptable safety risk.

Our overall safety objective is to proactively manage safety hazards and their associated safety risk, with the intent to eliminate unacceptable safety risk in our transit operations. To that end, we will continuously examine our operations for hazards. As required by the Federal Transit Administration, we have set annual safety performance targets to help us measure the safety of our transit service. In addition, to address our overall safety objective, we have established mandatory and voluntary employee safety reporting programs and will communicate these programs to all frontline, supervisory, and management personnel during the 2021 calendar year.

Safety Objectives

SMART has established a set of safety objectives to help us assess our safety performance and the effectiveness of our SMS. Our objectives include the following:

- Continuously examining our operations for hazards, through active employee reporting and review and analysis of data;
- Clearly explaining for all staff their accountabilities and responsibilities for the development and operation of SMART's SMS;
- Ensuring that employees charged with implementing the agency's SMS processes, methods and activities are adequately trained and only assigned tasks commensurate with their skills and experience;
- Providing SMART employees and contractors with formal, ongoing SMS communications; and
- Continuously improving SMART's safety performance through the management of processes that ensure effective safety risk mitigations are implemented in a timely manner.

Twice a Year Progress Report

Twice a year, and as needed, our Risk Manager will report to our entire agency regarding how well we are meeting our safety objectives.

Signatures

As required by 49 CFR Part 673 and Section 2 of this document, SMART's ASP, which describes our agency's commitment to continuously monitoring, measuring, and improving safety performance, has been approved by the Board of Directors and endorsed by the Accountable Executive

<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Robert Cramer, Accountable Executive	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Date
<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Khalil Rahal, Chair Board of Directors	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 5px;"/> Date
Safety Management Policy Communication	
<i>Describe how the safety management policy is communicated throughout the agency. Include dates where applicable.</i>	
<p>SMART has established organizational accountabilities and responsibilities for its SMS, and our Accountable Executive has issued a written Safety Management Policy (SMP) statement that includes SMART's safety objectives.</p> <p>The Chief Safety Officer, who leads SMART's SMS activities, ensures the SMP statement is distributed via electronic and/or hard copy to all employees and contractors operating service.</p> <p>The Chief Safety Officer also ensures the SMP statement is readily available to all executives, managers, supervisors, administrative and frontline employees, union leadership. The Chief Safety Officer prepares and disseminates reports documenting how SMART is meeting the safety objectives set forth in the SMP statement.</p> <p>SMART also posts copies of the SMP statement and reports on bulletin boards at each SMART facility as well on electronic communication tools (e.g. ADP).</p> <p>Should the SMP statement be updated during the year, the Chief Safety Officer will redistribute it throughout the agency following the same protocols to ensure it is provided to all employees and contractors.</p> <p>The Safety Promotion section of this ASP outlines additional mechanisms and processes available to support the communication of information on SMART's SMP statement.</p>	
Authorities, Accountabilities, and Responsibilities	
<i>Describe the role of the following individuals for the development and management of the transit agency's Safety Management System (SMS).</i>	
Accountable Executive	<p>SMART's Accountable Executive holds SMART's management and committees accountable for compliance with the processes and procedures detailed in the Agency Safety Plan (ASP) to ensure adequate safety performance and fulfill requirements of the Public Transportation Agency Safety Plan (PTASP) regulation (49 CFR Part 673).</p> <p>The Accountable Executive, has the following authorities, accountabilities, and responsibilities under this plan:</p> <ul style="list-style-type: none"> • Controls and directs human and capital resources needed to develop and maintain the ASP, SMS, and Transit Asset Management Plan; • Designates a Chief Safety Officer with a direct line of reporting to the Accountable Executive; • Issues annual SMP statement and safety objectives; • Ensures that SMART's SMS is effectively implemented throughout the system; • Ensures action is taken to address substandard performance in SMART's SMS;

	<ul style="list-style-type: none"> • Monitors SMART's safety performance; • Accepts safety risk associated with hazards or mitigates unacceptable safety risk; and • Assumes ultimate responsibility for carrying out SMART's ASP and SMS.
<p>Chief Safety Officer</p>	<p>The Accountable Executive designates the Chief Safety Officer as the position with the authority and responsibility for day-to-day implementation and operation of SMART's SMS. Chief Safety Officer is part of the Legal Department, but has direct access to and coordination with the Accountable Executive regarding Safety matters via a dotted reporting line to the Accountable Executive.</p> <p>The Chief Safety Officer has the following authorities, accountabilities, and responsibilities under this plan:</p> <ul style="list-style-type: none"> • Leads the development and update of SMART's ASP; • Develops SMART's SMS policies and procedures; • Monitors day-to-day implementation and operation of SMART's SMS; • Establishes and maintains SMART's safety data information management and reporting systems; • Chairs the SMS Committee and reviews Project Management Safety Implication Analyses (Management of Change) <ul style="list-style-type: none"> ○ Coordinates the activities of the committees with other members; ○ Develops agendas and sets topics for discussion; ○ Keeps and distributes minutes of committee meetings; ○ Maintains documentation and decisions made by committees. • Develops and distributes reports on SMART's progress in meeting the safety objectives specified in the SMP statement; • Develops and distributes reports that monitor and analyze trends in hazards and safety events; • Develops and issues Safety Reporting Bulletins and manages SMART's mandatory and voluntary safety reporting programs; • Provides information and analysis on reports made through the mandatory reporting program and voluntary employee safety reporting program (ESRP); • Develops and issues SMART's annual safety performance targets (in coordination with the Accountable Executive); • Identifies deficiencies and substandard performance in SMART's SMS, notifies the Accountable Executive, and works with the Accountable Executive to develop action plans to address the identified deficiencies; • Advises the Accountable Executive on SMS progress and status; and • Supports SMART departments in managing safety risk by providing Safety Risk Management (SRM) expertise and conducting and overseeing Safety Assurance activities.
<p>Agency Leadership and Executive Management</p>	<p>SMART Agency Leadership and Executive Management include staff who report directly to the General Manager:</p> <ul style="list-style-type: none"> • Deputy General Manager • Director of Transportation, • Director of Maintenance, • Director of Human Resources, • Director of Finance, • General Counsel

	<p>SMART's Agency Leadership and Executive Management have authorities and responsibilities for day-to-day implementation and operation of SMART's SMS. In addition, they support system wide SMS implementation as requested by the Chief Safety Officer and SMS Committee.</p> <p>Specific authorities, responsibilities and accountabilities for Agency Leadership and Executive Management under this plan include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Allocating resources to accomplish safety objectives identified in the SMP statement and to address substandard performance in the SMS; • Overseeing the safety of day-to-day operations and SMS implementation; • Coordinating with the Safety Department on the implementation of SMS and providing subject matter expertise as requested; and • Modifying departmental policies consistent with implementation of the SMS and other safety regulations.
<p>Key Staff</p>	<p>Key Staff</p> <p>SMART's Key Staff includes those positions that directly oversee SMART's Transportation, Maintenance, Human Resources, Finance, IT, Marketing, and Legal Departments. Specific authorities, responsibilities and accountabilities for Key Staff under this plan include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Complying with SMS programs and processes; • Supporting development, implementation, and operation of SMART's SMS; • Maintaining documents that support SMS implementation; • Reviewing and investigating employee reports, in coordination with the Chief Safety Officer and/or SMS Committee, and documenting results; • Providing subject matter expertise to support implementation of SMART's SMS; and • Verifying compliance with safety requirements and reporting deviations to the Safety Department. <p>Key Committees</p> <p>SMART uses committees and processes to support SMS implementation:</p> <ul style="list-style-type: none"> • SMS Committee • Safety Committees • Quarterly Terminal Inspection • Project Management: Safety Implication Analysis (Management of Change) • Driver Forums and Service Development Process • Accident Review Board <p>Each of these committees and processes is briefly described below.</p> <p>SMS Committee</p> <p>SMART has established an SMS Committee to support and oversee implementation of our SMS and to promote interagency coordination and action. Members of this committee are appointed by the Accountable Executive and include the following:</p> <ul style="list-style-type: none"> • Chair – Chief Safety Officer • Members <p style="padding-left: 40px;">-Deputy General Manager</p>

- Directors Team Members
- Manager of Procurement

The SMS Committee meets biannually and has the following responsibilities:

- Reviews the timely collection of information related to hazards, potential consequences, and safety events;
- Reviews reported hazards and supports the analysis of hazards;
- Investigates, analyzes, and identifies causal factors for safety events;
- Monitors and analyzes trends in hazards and safety events;
- Monitors and evaluates the effectiveness of mitigations implemented to address assessed safety risk and reports findings to the Accountable Executive;
- Monitors and evaluates the effectiveness of corrective actions implemented to address non-conformances and to prevent the recurrence of safety events, and reports findings to the Accountable Executive;
- Monitors industry data and reports from FTA and oversight authorities, industry associations, and manufacturers and other vendors;
- Determines the adequacy of the training provided to the individuals responsible for maintenance, operations, and other personnel who are assigned duties related to the SMS; and
- Supports day-to-day implementation and operation of SMART's SMS.

Safety Committees

Terminal Superintendent/Manager chairs this monthly committee meeting. Some labor agreements with SMART's local unions set forth specific provisions for a Safety Committee. This committee is directed to act in an advisory capacity to management. The Joint Safety Committee discusses safety concerns and makes recommendations to the appropriate departments for additional actions, including enhanced compliance activities, safety risk management, tracking and monitoring, training, and communication. These meeting may be in various format (i.e. in-person, virtual, etc.)

Quarterly Terminal Inspection

The Risk Manager and a Third-Party Administrator inspect each terminal for safety hazards on a quarterly basis to identify safety issues and potential safety hazards. Results from these reviews may support safety risk management activities, including the identification of hazards and the mitigation of safety risk. Such reviews and worksite inspections are performed during normal business hours and are scheduled in advance with appropriate SMART staff. The results of the reviews and inspections are not used for disciplinary purpose but serve to support implementation and oversight of SMART's SMS.

Project Management Process: Safety Implication Analysis (Management of Change)

SMART's Project Management Process includes a Safety Implication Analysis as a key component of Management of Change. The Safety Implication Analysis identifies and assesses changes associated with a project that may introduce new hazards or impact the transit agency's safety performance (e.g. new equipment, policies, or procedures are introduced).

Driver Forums and Service Development

Driver Forums offer a key opportunity for Drivers to provide input on the safety of existing and proposed routes. This information is used by the Service Development Department to assess routes and safety improvements.

Accident Review Board

SMART's Accident Review Board reviews the results of SMART accident determinations that are appealed by an employee and makes the final determination regarding preventability of such accident. SMART's Accident Review Board consists of members that represent Management, Union Officials, and an officer or investigator from a local police department.

Employee Safety Reporting Program

Describe the process and protections for employees to report safety conditions to senior management. Describe employee behaviors that may result in disciplinary action (and therefore, are excluded from protection).

SMART's frontline personnel are our best source of information on safety conditions throughout our system. Nobody knows more about the actual safety performance of the transit system than the employees who deliver the service.

To collect information critical to the safety of our operations, SMART uses two types of employee reporting:

- **Mandatory**
- **Voluntary**

Mandatory Safety Reporting

SMART requires its employees to report the occurrence of safety events immediately (injuries, accidents, mechanical/vehicle issues or unusual occurrences) through one or more of the following methods:

- Immediate Reporting to Supervisory Staff
- Injury Report Form
- Transit Accident and Crime Report Form
- Driver Pre-Trip Inspection Form
- Daily Physical Check Sheet (Driver Write Up Card)
- Driver Maintenance Write-up Log
- Preventative Maintenance Inspection Form

SMART requires drivers or other employees who are away from the facility to immediately report accidents, incidents, or unusual occurrences immediately to Dispatch, or to the first available supervisor if radio contact is not an option. All employees must fill out SMART's written reporting forms as soon as possible and provide information to support SMART's event investigation process, as necessary.

If an employee fails to report or reports false information regarding safety rules, SMART may take disciplinary action. Reports must be made to the employee's supervisor no later than by the end of shift, unless otherwise specified in an extension is granted by the labor agreement. In cases of an employee self-reporting non-compliance with safety rules, SMART may consider a non-punitive response. Any discipline will be determined on a case-by-case basis by the Terminal Manager/Transportation Manager and Department Director with the assistance of the Human Resources Department.

Voluntary Employee Safety Reporting Program

In an effort to maximize available safety information and to ensure that safety concerns are reported freely and without prejudice, SMART has established a process through which employees and contractors can report safety conditions, unsafe acts/practices, and/or close-call incidents without fear of discipline, reprisal or penalty. Examples of the types of information reported include:

- Safety hazards in the operating environment (for example, county or city road conditions),
- Policies and procedures that are not working as intended
- Events that senior managers might not otherwise know about (for example, near misses in a bus garage)
- Information about why a safety event occurred (for example, radio communication challenges).

Acceptable means of reporting safety conditions include:

- Emailing a report to SMART's Chief Safety Officer
- Using the Suggestion Box located in each Driver's Lounge
- Submitting Operator Comment Cards, a Miscellaneous 67 Report, Driver Pre-Trip Inspection Form, or Daily Physical Check Sheet (Driver Write Up Card) to Supervisory Staff
- Notifying Bus Dispatch
- Providing verbal or email notification to a supervisor or union steward.

SMART's Accountable Executive is responsible for ensuring protections for employees who report safety conditions to senior management. SMART provides employees who voluntarily report safety conditions in good faith with protections from any form of discipline, retribution or penalty, consistent with State and Federal guidelines regulations, and collective bargaining agreements.

When requested, the name of the employee providing information related to safety conditions will be kept anonymous to the extent permissible by law.

While SMART places a very high value on employees reporting important safety information, in cases where the reporting employee engaged in an illegal act, committed gross negligence, or deliberately or willfully disregarded regulations or procedures, or other wrongdoing is discovered SMART reserves the right to pursue disciplinary action.

5. Safety Risk Management

Safety Risk Management Process

Safety Risk Management Process

SMART's Safety Risk Management (SRM) process includes the activities and tools needed to identify and analyze hazards and assess safety risk. SMART uses its SRM process to proactively manage safety hazards and their associated safety risk, with the intent to mitigate the safety risk in our transit system to a point that is as low as reasonably practicable.

SMART's Chief Safety Officer leads SMART's SRM process, with support from SMART's Safety Department and ensures that trained safety personnel work with SMART's subject matter experts to identify hazards and consequences, assess the safety risk of the consequences of hazards, and mitigate safety risk, as necessary. In carrying out its SRM process.

SMART's SRM process applies to:

- Existing SMART operations and maintenance procedures;
- Changes to SMART's public transportation system; and
- Design of new SMART public transportation service, vehicles, equipment, and capital projects.

Key terms used in our SRM process include:

- **Event:** Any accident, incident, or occurrence including but not limited to involving a vehicle, injury, machine, etc.
- **Hazard:** Any real or potential condition that can cause injury, illness, or death; damage to or loss of facilities, equipment, rolling stock, or infrastructure belonging to SMART; or damage to the environment.
- **Risk:** Composite of predicted severity and likelihood of the potential effect of a hazard.
- **Risk mitigation:** Method(s) to eliminate or reduce the effects of hazards.
- **Consequence:** An effect of a hazard involving injury, illness, death, or damage to SMART's property or the environment.

Safety Hazard and Consequence Identification

SMART identifies hazards and potential consequences from a variety of sources, including the following:

- Voluntary Employee Safety Reporting Program and mandatory safety reporting program;
- Results from the review of smart camera technology video from vehicles;
- Meetings and workshops with employees to discuss safety concerns;
- Results of employee surveys and outreach;
- Results of activities completed via Project Management to identify changes that may introduce new hazards or impact the SMART's safety performance;
- Monthly safety committee meetings with staff and Union employees at each terminal;
- Monthly fleet maintenance meetings;
- Results of reports documenting SMART's Safety Assurance activities, highlighting safety concerns and changes, including the following:
 - o Pre-trip and post-trip vehicle condition reports that identify bus safety concerns to maintenance and supervisory staff;
 - o Results of routine observations of the workplace by management personnel;
 - o Information collected from reports and investigations of safety events;

o Information collected from other Safety Assurance activities, including maintenance reports, vehicle inspection reports, system inspection reports, quality inspections and reports, and special studies or reviews.

- Results of condition assessments undertaken for the Transit Asset Management plan;
- Results of inspections, audits, and observations performed by Safety Department personnel;
- Review of the drawings and specifications for new or modified equipment or facilities;
- Findings or recommendations made as a result of audits, reviews, studies, or assessments from internal or external departments or agencies;
- Information from customer reports and reports of unsafe behavior from the public and law enforcement;
- Information from industry associations, manufacturers and other vendors, and oversight authorities, such as the National Transportation Safety Board and the Federal Motor Carrier Safety Administration, as well as state and local transportation agencies; and
- Information from FTA, including safety directives, bulletins, alerts, and technical assistance, as well as regulations and recommended practices.

SMART's Safety Department, SMS Committee, and subject matter experts identify hazards and consequences from these sources. For sources not managed by the Safety Department, SMART departments provide reports and hazard information to the Safety Department using forms and notification protocols established by the SMS Committee. SMART departments also provide subject matter experts to support identification of hazards and consequences from available reports and information sources.

For all sources, the Safety Department's SRM Lead reviews information collected to identify specific hazards and consequences and determine the potential impact on transit operations and the health and safety of employees.

Safety Risk Assessment

SMART will assesses the safety risk associated with identified safety hazards and their consequences. This process will include an assessment of the likelihood and severity of the consequences of hazards, including existing mitigations, and prioritizing hazards based on safety risk.

The SRM Lead, with support from Safety Department staff, manages SMART's safety risk assessment activities. In some instances, safety risk assessment may be performed by other SMART departments or contractors.

To conduct the assessment, the SRM Lead may assemble a small team of subject matter experts based on their knowledge of the factors and potential consequences of a hazard and its potential consequence(s) under assessment. Additionally, SMART may use outside resources with specialized expertise in the safety risk assessment process or a transit technical discipline.

SMART's safety risk assessment process has five steps:

- Step 1: Collecting Information;
- Step 2: Assessing Severity;
- Step 3: Assessing Likelihood;
- Step 4: Determining the Safety Risk Index; and
- Step 5: Documenting Results.

Each step is summarized below.

Step 1: Collecting Information

SMART's SRM Lead collects information on identified hazards and its potential consequence(s).

Typical information collection activities include:

- Reviewing SMART's safety information system and records to identify information relevant to the hazard and its potential consequence(s);
- Interviewing employees and contractors that work in the area or discipline where the hazard and potential consequence(s) have been identified, in coordination with Labor Relations;
- Conducting a walkthrough of the affected area or system, generating visual documentation (photographs and/or video), and taking any measurements deemed necessary;
- Conducting interviews with subject matter experts to gather potentially relevant information on the hazard and potential consequence(s);
- Reviewing any documentation associated with the hazard (records, reports, procedures, inspections, technical documents, etc.);
- Contacting other departments or agencies that may have association with or technical knowledge relevant to the hazard or its potential consequence(s);
- Reviewing any past reported hazards of a similar nature;
- Reviewing information provided by FTA or an oversight authority; and
- Evaluating tasks and/or processes associated with the hazard and its potential consequence(s).

Step 2: Assessing Severity

The SRM Lead, working with a small team, if one is assigned, will assess the severity of impact of the worst credible potential consequence(s) of the hazard if it/they occurred, taking into account existing mitigations. This includes impact to people, systems, equipment, and the environment. The assessment must be credible and will be used to produce a potential severity matrix. This matrix uses four severity levels:

1. Catastrophic
2. Critical
3. Marginal
4. Negligible

Step 3: Assessing Likelihood

The SRM Lead, working with a small team, if one is assigned, will assess the likelihood of the worst credible potential consequence(s) of the hazard taking into account existing mitigations and outcome likelihood to determine six likelihood levels:

- A. Frequent
- B. Probable
- C. Occasional
- D. Remote
- E. Improbable
- F. Eliminated

Step 4: Determining the Safety Risk Index

The SRM Lead, working with a small team, if one is assigned, will combine the assessed severity and likelihood into a safety risk index. SMART uses a Safety Risk Assessment Matrix that assigns a rating for each potential consequence to prioritize safety risk. This step assists SMART's SRM lead in rating the tolerability of the safety risk as:

- **Low (Acceptable without Review)** – SMART determines that existing mitigations adequately address safety risk and management review is not necessary.

- **Medium (Acceptable with Existing Mitigations and Management Review)** – SMART determines that mitigations currently in place adequately address safety risk with management review. Evaluations of existing mitigations include observation and analysis by subject matter experts and the review of any historical data related to the hazard and consequence under assessment. When necessary, evaluation of the effectiveness of mitigations may include reaching out to external transit experts and discussions with peer transit agencies facing similar concerns.

- **Serious (Acceptable with Monitoring and Management Review)** – SMART requires management review, and ongoing monitoring activities to determine if the safety risk mitigation is ineffective, inappropriate, or not implemented as intended.

- **High (Unacceptable; Management Approval required)** – SMART requires action to mitigate safety risk. SMART will suspend service or activities related to hazards with a high safety risk index until the safety risk has mitigated to an acceptable level. Management approval is required prior to resuming suspended activities.

Step 5: Documenting Results

The SRM Lead will document the hazard, hazard type, identification source and date, and the hazard's consequences, including the worst credible potential consequence(s), and the existing mitigations that address the worst credible potential consequence(s), assessments regarding severity and likelihood of the worst credible potential consequence(s), and any related or supporting documentation. Required management reviews and approvals will also be documented.

Policies and Procedures

The Safety Department maintains the policies, procedures, checklists, and forms that support safety risk assessment activities. The SRM Lead records the results of the safety risk assessment process in the Safety Risk Register. Completed safety risk assessments and supporting attachments are documented by the Safety Risk Manager and will be periodically reviewed by the SMS Committee.

Safety Risk Mitigation

Based on the results of the safety risk assessment, the safety risk associated with the worst credible potential consequences of identified hazards will be resolved through the development and implementation of mitigations. Mitigations may:

- Eliminate the safety risk of a hazard;
- Reduce the likelihood of the potential consequences of a hazard; and/or
- Reduce the severity of the potential consequences of a hazard.

The goal of SMART's safety risk mitigation process is to eliminate the hazard if possible. When a hazard cannot be eliminated, SMART will reduce the associated risk to the lowest acceptable level within the constraints of cost, schedule, and performance by the following methods:

- Eliminate hazards through design selection;
- Reduce risk through design alteration;
- Incorporate engineered features or devices;
- Provide warning devices; and

- Incorporate signage, procedures, training, and personal protective equipment.

The supervisor or project manager with oversight of the organizational entity will develop mitigations with the Chief Safety Officer, supported by the SMS Committee, and SMART's subject matter experts. The appropriate department head, superintendent, or manager of the impacted department will approve the safety risk mitigation. Depending on the nature of the safety risk or mitigation, additional approvals may be required from SMART's Leadership and Executive Management and/or the Accountable Executive. Where appropriate, safety risk mitigations will include milestones, schedule, budget and the part(ies) responsible for implementation. SMART will monitor its operations to identify any safety risk mitigations that may be ineffective, inappropriate, or were not implemented as intended. This activity may include the use of mitigation monitoring plans.

The supervisor or project manager that developed the mitigation will be responsible for documenting the issue. The SMS Committee will review the status of actions to implement mitigations and report any findings or concerns to the Accountable Executive. The Safety Department will include information on the development and implementation of safety risk mitigations in reports shared throughout the agency, as specified in SMART's SMP statement.

6. Safety Assurance

Safety Performance Monitoring and Measurement

SMART uses **Safety Performance Monitoring and Measurement** to evaluate our compliance with operations and maintenance procedures and to determine whether our existing rules and procedures are sufficient to control our safety risk. SMART also uses Safety Performance Monitoring and Measurement to assess the effectiveness of safety risk mitigations and to make sure the mitigations are appropriate and implemented as intended. Safety Performance Monitoring and Measurement activities also include investigating safety events to identify causal factors and analyzing the information from safety reporting, including data about safety failures, defects, and conditions.

Compliance with and Sufficiency of Operations and Maintenance Procedures

SMART bus operations are governed by memos, policies, notices, and standard operating procedures (SOPs) issued by the authority.

SMART bus maintenance is governed by maintenance manuals, instructions, memos and vendor information. Maintenance procedures are established by the Director of Maintenance.

To ensure compliance with and sufficiency of operations and maintenance procedures, SMART carries out the following activities:

- **Driver Training/Retraining:** Driver training/retraining provides an opportunity for one-on-one interaction between SMART Operators and SMART instruction staff. During these evaluations, SMART Transportation staff perform firsthand observations of the operator's driving habits and provide immediate verbal and written feedback. Training evaluations are designed to uncover and point out unsafe practices, as well as to give positive reinforcement for safe driving practices. Driver retraining evaluations can occur as a reactive measure (post-event training or training initiated in response to customer complaints or documented violations of safety rules) or proactively, such as when the operator is learning a new bus line or receiving other types of instruction.
- **Random Observations:** SMART Management and supervisory personnel may conduct observations of bus operators for compliance with traffic laws, SMART operating rules, and procedures. Any observed rule violations will be documented and submitted to Terminal Management staff.
- **Behavior-Based Safety Observations:** SMART Management and supervisory personnel may observe employees or contractors performing their assigned tasks and evaluate their actions based on SMART's safety policies and procedures and task-specific processes or procedures, if applicable. Terminal Management staff may discuss what they observed with the employee and union or contractor they observed and discuss any unsafe or potentially unsafe acts they may have observed. Discussions focus on constructively and positively reinforcing safe acts, gaining employee commitment to identify and avoid unsafe acts, and encouraging two-way communication about safety-related concerns. Supervisory staff performing the observations immediately addresses and acts on any observed life-threatening and unsafe behaviors.
- **Vehicle and Facility Inspections and Records Reviews:** Safety Staff conduct quarterly terminal loss control inspections and document and report any observed issues. Safety personnel also perform records reviews and trend analyses regarding the results of vehicle and facility inspections to focus follow-up activities. Results are documented on standard SMART departmental forms. Daily vehicle pre-trip inspections are completed and documented by the drivers, and the maintenance department performs and documents regularly scheduled physical maintenance inspections of the vehicles.
- **Video Monitoring:** SMART buses incorporate an onboard video monitoring system. When a safety event occurs on a bus, the system video footage is preserved. Supervisory staff will review recordings when operators report an event, if Supervisory staff is made aware of a potential safety event or non-compliance with safety rules, or as a result of other safety event reporting. The reviewing of audio and video will be done pursuant to the Audio and Video Recording Policy.

Describe activities to monitor operations to identify any safety risk mitigations that may be ineffective, inappropriate, or were not implemented as intended.

Monitoring Safety Risk Mitigations

SMART monitors safety risk mitigations to determine if they may be ineffective, inappropriate, or not implemented as intended. SMART supervisors, managers and subject matter experts, working with the SMART Safety Department, develop mitigation monitoring plans for mitigations implemented through SMART's SRM process. The SMS Committee approves mitigation monitoring plans and tracks them.

Mitigations found to be ineffective, inappropriate or not implemented, as intended, must go through the SRM process. The Safety Department oversees and tracks the assignment of responsibilities and timelines for implementing new mitigations and eliminating mitigations that are no longer necessary or effective.

To measure the effectiveness of existing safety risk mitigations, which may not have been assessed yet through SMART's SRM process, SMART's Safety Department and SMS Committee also:

- Review results from safety event investigations;
- Monitor employee safety reporting;
- Monitor the service delivery and operational environment;
- Monitor operational functions to verify that operations activities are carried out in accordance with standard operating procedures (SOPs);
- Monitor maintenance functions to verify that maintenance activities are carried out in accordance with SOPs;
- Review results of internal safety audits and inspections;
- Review results of safety inspections by external entities; and
- Analyze operational and safety data to identify emerging safety concerns.

During SMS Committee meetings, a standing agenda item focuses on the results of these reviews and monitoring activity. Based on its assessment of the situation, the SMS Committee and the Chief Safety Officer will determine whether additional investigation and/or monitoring is required, or if the specific issue or condition needs to be addressed through SMART's SRM process.

The Safety Department ensures that SMART carries out and documents all monitoring activities. The Safety Department reports the results to the Accountable Executive and/or executive management as directed by the Accountable Executive or SMS Committee. Specific procedures on how to carry out safety risk mitigation monitoring activities and forms to document those activities are on file in the Safety Department.

Describe activities to conduct investigations of safety events, including the identification of causal factors.

Safety Event Investigations to Identify Casual Factors

SMART maintains procedures for conducting investigations of safety events (accidents, incidents, and occurrences, as defined in 49 CFR Part 673) to find causal and contributing factors and review the existing mitigations in place at the time of the safety event. Local law enforcement also may respond to any SMART safety event. SMART will coordinate its investigation process with local law enforcement.

Operations and maintenance management are responsible for immediately notifying the Safety Department of any safety event that meets SMART's thresholds. The Safety Department notifies the Accountable Executive (or designated personnel) of any events that resulted in a fatality, serious injury, or property damage to SMART's vehicles or private vehicles that may exceed \$25,000. Department Managers ensure that all safety events in their department are documented.

The Safety Department also ensures compliance with reporting thresholds, requirements, and processes defined in *FTA's NTD Safety and Security Policy Manual* and with notification thresholds established by the National Transportation Safety Board and the Michigan Department of Transportation.

SMART's general safety investigation process consists of five basic phases.

- **Set up:** Assemble an investigation team with the required skills and expertise.
- **Fact gathering:** Record facts pertinent to understanding the circumstances leading to the safety event.
- **Event reconstruction:** Reconstruct the sequence of events.
- **Data analysis:** Analyze the information obtained through fact gathering and event reconstruction to assess the safety risk and provide explanations of the technical and operational factors and any underlying organizational factors and issues.
- **Establish conclusions:** Draw conclusions from the collected and analyzed information based on:
 - o Main and direct causes and contributing factors leading to the event.
 - o Findings that point out additional hazards that have the potential to introduce safety risk but did not play a direct role in the event.
 - o Other findings that have potential to improve the safety of the transit system.

General Investigation Process

Safety Event Investigation Procedures

SMART's safety event investigation procedures follow these steps:

- Bus Operators or Operations Supervisors notify Dispatch of the safety event. The Operator of the affected transit vehicle follows seven basic emergency steps:
 - o Stay calm
 - o Assess the situation
 - o Obtain help
 - o Protect people, then property
 - o Reassure and assist the passengers
 - o Secure the scene
 - o Ask witnesses or others involved in the accident to fill out a Courtesy Card
 - o Complete Transit Accident and Crime Report
- Dispatch immediately notifies Road Supervisor, emergency personnel and, when appropriate, ASU (Adjusting Services Unlimited).
- Road Supervisor gathers information and interviews all involved in accident/incident
- Terminal Manager reviews Road Supervisor's information, reviews video and interviews employee
- Severe accidents/incidents investigations may also involve the Legal Department
- ASU investigates insurance related items.
- The Road Supervisor and ASU, as needed, arrives at the scene as soon as possible to conduct the investigation.
- The Road Supervisor secures the scene and collects facts about what occurred, including interviewing the operator involved, and any witnesses.
- The Road Supervisor begins the investigative process, which includes but is not limited to the following:
 - o Noting the environmental factors surrounding the safety event, such as lighting and visibility, road surface conditions, climate, and weather conditions
 - o Collecting vehicle and roadway evidence, including vehicle condition and position for all vehicles involved in the incident
 - o Recording tire marks, skid marks, tire tread prints, and yaw marks
 - o Observing braking-related factors
 - o Observing debris and vehicle fluids
 - o Observing contact and induced damage
 - o Making exterior damage assessments
 - o Photographing the scene

- o Sketching the field
- o Interviewing other drivers; witnesses; passengers; fire, emergency medical services, and police personnel at the scene. Interviewing maintenance personnel, if necessary, at a later date
- o Making a drug-and-alcohol testing decision pursuant to 49 CFR Part 40 and 655
- o Complete the Road Supervisor's Report
- The Terminal Manager will investigate the accident and determine if the Accident was "Preventable" or "Non-Preventable"

Identifying Causal and Contributing Factors

SMART is committed to examining all safety events to determine causal and latent organizational factors that may have contributed to the safety event. This includes examining:

- Processes;
- People/human factors;
- Management decision-making and resource support;
- Equipment, tools, and materials;
- Operating environment;
- Environmental issues;
- Existing relevant mitigations; and
- Other causes and contributing factors, as appropriate.

Accident Review Board

SMART's Accident Review Board reviews information on accidents determined to be "preventable" that are appealed by the Operator. SMART's Accident Review Board consists of members that represent management, the union, and a police officer to determine if the accident or incident was preventable or non-preventable. SMART's Accident Review Board refers its findings to supervisory staff.

Describe activities to monitor information reported through internal safety reporting programs.

Internal Safety Reporting Programs

The Chief Safety Officer and SMS Committee review safety data and information captured in employee safety reports, safety meeting minutes, customer complaints, and other safety communication channels. When necessary, the SMS Executive and SMS Committee ensure that the issues and concerns are investigated or analyzed through SMART's SRM process.

The Chief Safety Officer and SMS Committee also review internal and external reviews, including audits and assessments, compliance with operations and maintenance procedures, and the effectiveness of safety risk mitigations. The Chief Safety Officer discusses relevant safety issues and concerns with the Accountable Executive and executive management.

Management of Change

Describe the process for identifying and assessing changes that may introduce new hazards or impact safety performance.

SMART understands that change may affect the appropriateness or effectiveness of existing risk mitigation strategies. In addition, change may inadvertently introduce new hazards and safety risk into SMART's service. Therefore, SMART has established a formal process for identifying and assessing changes that may introduce new hazards or impact our safety performance. If, as a result of this process, we determine a change may impact our safety performance, then we evaluate the proposed change through our SRM process.

SMART conducts this process through Project Management practices and the Service Development Process. It includes changes identified resulting from:

- Design and implementation of new systems and other capital projects,
- Changes to existing systems or service,
- New services provided to the public,
- Changes to relevant regulations, laws, policies or the FTA's National Public Transportation Safety Plan or Safety Directives or Memos that may impact SMART's safety programs.

Safety Department train managers on when and how to identify and report anticipated changes to the committee. When a change is determined to potentially impact SMART's safety performance, the process/project manager contacts the Chief Safety Officer to evaluate the change through the SRM process. The SRM process includes identifying a change's associated hazards and potential consequences, assessing safety risk, and, when necessary, creating new safety risk mitigations or modifying existing mitigations. When SMART makes a change that requires new or revised mitigations, it monitors these mitigations as described in the mitigation monitoring section above.

Continuous Improvement

Describe the process for assessing safety performance. Describe the process for developing and carrying out plans to address identified safety deficiencies.

SMART uses a continuous improvement process to monitor and improve our SMS and safety performance. SMART conducts an annual safety performance assessment. If we identify any deficiencies as part of the safety performance assessment, we develop and carry out, under the direction of the Accountable Executive, a plan to address the identified safety deficiencies.

SMART's process for assessing its safety performance includes:

- Monitoring the achievement of safety objectives and safety performance indicators and targets.
- Reviewing the effectiveness of:
 - o Hazard identification, safety risk assessment, safety risk mitigation development, and management of change activities;
 - o Operations and maintenance procedure monitoring activities;
 - o Safety risk mitigation monitoring activities;
 - o Safety investigation activities;
 - o Voluntary ESRP;
 - o Safety competencies and training efforts; and
 - o Safety communication.

The Safety Department is responsible for assessing SMART's safety performance because of its safety expertise and functional independence from operations and maintenance. Safety Department strategies for assessing safety performance and the effectiveness of SMART's SMS operations include but are not limited to the following:

- Reviewing safety data, including data related to safety objectives and safety performance indicators and targets;
- Conducting employee surveys to measure the effectiveness of the ESRP, safety training, and safety communication;
- Using audit checklists to identify how well the processes, activities, and tools within the SMS are performing;
- One-on-one and group interviews of key service-delivery and support stakeholders;
- Attending safety committee meetings and safety meetings;
- Conducting field observations;
- Auditing regulatory compliance; and
- Reviewing SMS documentation.

At times, SMART may choose to use an outside independent consultant to assist the Safety Department in its safety performance assessment activities.

The Safety Department provides reports on the results of safety performance assessments to the Accountable Executive and executive management. The Safety Department maintains documentation of the safety performance assessments, including checklists and tools.

SMART supports continuous improvement by addressing deficiencies it discovers during assessments of safety performance and SMS operations assessments. SMART uses corrective action plans to address safety deficiencies and substandard performance of SMS operation to drive the continuous improvement effort. SMART also may choose to use outside expertise to assist in addressing safety deficiencies. These corrective action plans are carried out under the direction of the Accountable Executive and SMART's Chief Safety Officer reports on the status of these corrective action plans to the Accountable Executive each quarter.

7. Safety Promotion

Competencies and Training

Safety promotion ensures that SMART employees and contractors are aware of policies and procedures related to the safety of agency operations, and specifically as related to their areas of work. SMART's comprehensive training program applies to all SMART employees directly responsible for safety, including:

- Bus vehicle operators,
- Dispatchers,
- Maintenance technicians,
- Managers and supervisors,
- Agency Leadership and Executive Management,
- Chief Safety Officer and Safety Department, and
- Accountable Executive.

Training has been developed for each designated position throughout the agency, appropriate to the position's individual job responsibilities.

Operations skill training includes the following:

- New hire bus operator classroom and hands-on skill training;
- Bus operator refresher training;
- Bus operator retraining (recertification or return to work);
- Skill training for Coach Service and Shelter Attendant;
- Skill training for painting and body-shop personnel;
- On-the-job training for control center employees/schedulers/dispatchers at the time of external hire or internal promotion;
- On-the-job training for operations supervisors at the time of external hire or internal promotion; and
- Safety event investigation training and on-the-job training for Operations Supervisors.

Vehicle maintenance skill training includes the following:

- Ongoing vehicle maintenance technician skill training;
- Ongoing skill training for vehicle maintenance supervisors;
- Safety event investigation training for vehicle maintenance supervisors;
- Ongoing hazardous material training for vehicle maintenance technicians and supervisors; and
- Training provided by vendors.

Facility maintenance safety-related skill training includes the following:

- Ongoing facility maintenance technician skill training;
- Ongoing skill training for facility maintenance supervisors;
- Ongoing hazardous material training for facility maintenance technicians and supervisors; and
- Ongoing fire prevention training for facility maintenance technicians and supervisors.

Safety Communication

Describe processes and activities to communicate safety and safety performance information throughout the organization.

In accordance with SMART's SMP statement, SMART actively encourages the open sharing of information on all safety issues throughout our organization. To ensure effective communication throughout the agency, SMART has established formal processes and approaches, including:

- **Dissemination of safety and safety performance information throughout SMART's organization.**

The communication of safety performance information follows the top-down, agency-wide model of the agency's SMS. The Chief Safety Officer is responsible for reporting on the agency's safety performance to the Accountable Executive. These reports may include, but are not limited to, performance relative to the agency's safety performance targets, updates related to mitigation monitoring plans and corrective action plans, and unusual events. In accordance with guidance distributed by the Chief Safety Officer, leadership throughout the agency (including executives, superintendents, directors, managers, and supervisors) are responsible for communicating safety performance information with their teams. The Safety Department is responsible for using the safety information system to develop regular status reports on safety risk mitigations and open corrective actions for dissemination to the SMS Committee and Joint Labor and Management Safety Committees for discussion. The Safety Department also issues reports on SMART's safety performance and progress in meeting the safety objectives outlined in the SMP statement throughout the agency.

- **Communication of information on hazards and safety risk relevant to employees' roles and responsibilities throughout the agency.** As part of new-hire training, SMART distributes safety policies and procedures to pertinent employees. SMART provides training on these policies and procedures. For newly emerging safety issues or safety events at the agency, SMART's Chief Safety Officer may issue bulletins or messages to employees to be reinforced by supervisors in one-on-one or group discussions with employees.

- **Explaining actions taken in response to employee reporting.** SMART provides targeted communications to inform employees of safety actions taken in response to reports submitted through the ESRP, such as newsletters, handouts and flyers, safety talks, updates to bulletin boards, and one-on-one discussions between employees and supervisors. The Safety Department works with each operating function to ensure that all SMS and safety communication-related activities are communicated. The Safety Department also maintains documentation of communication processes and procedures and records of safety communications.

Additional Information

Supporting Documentation

SMART will maintain documentation related to the implementation of its SMS; the programs, policies, and procedures used to carry out this ASP; and the results from its SMS processes and activities for three (3) years after creation. This documentation will be available to the Federal Transit Administration or other Federal or oversight entity upon request.

Definitions of Special Terms Used in the ASP

SMART incorporates all of FTA's definitions that are in 49 CFR § 673.5 of the Public Transportation Agency Safety Plan regulation.

- **Accident** means an Event that involves any of the following: A loss of life; a report of a serious injury to a person; a collision of public transportation vehicles; a runaway train; an evacuation for life safety reasons; or any derailment of a rail transit vehicle, at any location, at any time, whatever the cause.
- **Accountable Executive** means a single, identifiable person who has ultimate responsibility for carrying out the Public Transportation Agency Safety Plan of a public transportation agency; responsibility for carrying out the agency's Transit Asset Management Plan; and control or direction over the human and capital resources needed to develop and maintain both the agency's Public Transportation Agency Safety Plan, in accordance with 49 U.S.C. 5329(d), and the agency's Transit Asset Management Plan in accordance with 49 U.S.C. 5326.
- **Agency Safety Plan** means the documented comprehensive agency safety plan for a transit agency that is required by 49 U.S.C. 5329 and Part 673.
- **Chief Safety Officer** means an adequately trained individual who has responsibility for safety and reports directly to a transit agency's chief executive officer, general manager, president, or equivalent officer. A Chief Safety Officer may not serve in other operational or maintenance capacities, unless the Chief Safety Officer is employed by a transit agency that is a small public transportation provider as defined in Part 673, or a public transportation provider that does not operate a rail fixed guideway public transportation system.
- **Equivalent Authority** means an entity that carries out duties similar to that of a Board of Directors, for a recipient or subrecipient of FTA funds under 49 U.S.C. Chapter 53, including sufficient authority to review and approve a recipient or subrecipient's Agency Safety Plan.
- **Event** means any Accident, Incident, or Occurrence.
- **Hazard** means any real or potential condition that can cause injury, illness, or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment.
- **Incident** means an event that involves any of the following: A personal injury that is not a serious injury; one or more injuries requiring medical transport; or damage to facilities, equipment, rolling stock, or infrastructure that disrupts the operations of a transit agency.
- **Investigation** means the process of determining the causal and contributing factors of an accident, incident, or hazard for the purpose of preventing recurrence and mitigating risk.
- **National Public Transportation Safety Plan** means the plan to improve the safety of all public transportation systems that receive Federal financial assistance under 49 U.S.C. Chapter 53.
- **Occurrence** means an Event without any personal injury in which any damage to facilities, equipment, rolling stock, or infrastructure does not disrupt the operations of a transit agency.
- **Operator of a public transportation system** means a provider of public transportation as defined under 49 U.S.C. 5302(14).

- **Performance measure** means an expression based on a quantifiable indicator of performance or condition that is used to establish targets and to assess progress toward meeting the established targets.
- **Performance target** means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the FTA.
- **Risk** means the composite of predicted severity and likelihood of the potential effect of a hazard.
- **Risk mitigation** means a method or methods to eliminate or reduce the effects of hazards.
- **Safety Assurance** means processes within a transit agency's Safety Management System that functions to ensure the implementation and effectiveness of safety risk mitigation, and to ensure that the transit agency meets or exceeds its safety objectives through the collection, analysis, and assessment of information.
- **Safety Management Policy** means a transit agency's documented commitment to safety, which defines the transit agency's safety objectives and the accountabilities and responsibilities of its employees in regard to safety.
- **Safety Management System (SMS)** means the formal, top-down, organization-wide approach to managing safety risk and assuring the effectiveness of a transit agency's safety risk mitigation. SMS includes systematic procedures, practices, and policies for managing risks and hazards.
- **Safety Management System (SMS) Executive** means a Chief Safety Officer or an equivalent.
- **Safety performance target** means a performance target related to safety management activities.
- **Safety Promotion** means a combination of training and communication of safety information to support SMS as applied to the transit agency's public transportation system.
- **Safety risk assessment** means the formal activity whereby a transit agency determines Safety Risk Management priorities by establishing the significance or value of its safety risks.
- **Safety Risk Management (SRM)** means a process within a transit agency's Agency Safety Plan for identifying hazards and analyzing, assessing, and mitigating safety risk.
- **Serious injury** means any injury which: (1) requires hospitalization for more than 48 hours, commencing within 7 days from the date when the injury was received; (2) results in a fracture of any bone (except simple fractures of fingers, toes, or noses); (3) causes severe hemorrhages, nerve, muscle, or tendon damage; (4) involves any internal organ; or (5) involves second- or third-degree burns, or any burns affecting more than 5 percent of the body surface.
- **State** means a State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, and the Virgin Islands.
- **Transit agency** means an operator of a public transportation system.
- **Transit Asset Management Plan** means the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation, as required by 49 U.S.C. 5326 and 49 CFR Part 625.

<u>Acronym</u>	<u>Word or Phase</u>
ASP	Agency Safety Plan
ESRP	Employee Safety Reporting Program
FTA	Federal Transit Administration
GM	General Manager
MPO	Metropolitan Planning Organization
PTASP	Public Transportation Agency Safety Plan
SMP	Safety Management Policy
SMS	Safety Management System
SRM	Safety Risk Management
SMART	Suburban Mobility Authority for Regional Transportation
VRM	Vehicle Revenue Miles

RECOMMENDATION:

It is recommended by staff that the SMART Board of Directors authorize the Board Chair to execute the attached agreement, as reviewed and approved by OCPTA and SMART staff, in order to allow and continue the provision of SMART services to the opt-in communities comprising the OCPTA service area, and in consideration for payment and receipt by SMART of the *ad velorem* tax funds raised there.

FUNDING SOURCE:

Though a revenue contract with a value of the total tax revenue raised by OCPTA each year, the \$40,000 annual cost retained by OCPTA to finance and support their operations will be taken from the gross funds raised and received by the *ad velorem* property tax and will reduce the gross receipts accordingly. However, the net amount remains sufficient to cover the service provided by SMART and the Authority's FY 2021 budget and beyond.

ATTACHMENTS:

Resolution
Proposed SMART/OCPTA Agreement

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorization to Enter Into A Funding and Service Agreement
With the Oakland County Public Transportation Authority (OCPTA)

Whereas, since 1996 SMART has had an agreement with the Oakland County Public Transit Authority, an Act 196 transportation authority (196 P.A. 1986, MCL 124.451 *et seq.*); and,

Whereas, the afore-referenced agreement sets forth terms and conditions for SMART's provision of services in the OCPTA service area, along with administration of the funding, budgeting, performance and auditing terms and conditions; and,

Whereas, over the last several months the parties have reviewed, revised, clarified and updated the agreement, and authorization to execute the agreement is now recommended by staff; now, therefore be it,

RESOLVED, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation, hereby authorizes the Board Chairman to execute a contract with the OCPTA in substantially the same form as attached hereto.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies that the foregoing is a true and correct copy of the resolution adopted by the Board of Directors of the Suburban Mobility Authority for Regional Transportation at a legally convened meeting on _____.

Date

Board Secretary

No.

PUBLIC TRANSPORTATION AGREEMENT

BETWEEN

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

AND

OAKLAND COUNTY PUBLIC TRANSPORTATION AUTHORITY

THIS PUBLIC TRANSPORTATION AGREEMENT ("Agreement") is made this 1st day of November, 2020, by and between the Suburban Mobility Authority for Regional Transportation ("SMART"), a public transportation authority created pursuant to 204 P.A. 1967, and the Oakland County Public Transportation Authority (the "Authority"), an Act 196 public transportation authority created under 96 P.A. 1986 (and may be referred to collectively as the "Parties"). This Agreement shall have a term beginning on the above date and ending on June 30, 2022. Thereafter, each term of this agreement shall be for two (2) years.

WHEREAS, SMART desires to provide certain public transportation services to the Authority as described more particularly in this Agreement and the exhibits/attachments hereto ("Transportation Services"); and

WHEREAS, the Authority and SMART agree that the transportation services undertaken shall be in accordance with the Authority's Mission Statement as amended, to the greatest extent possible; and

WHEREAS, as consideration for the Transportation Services, the Authority will make an annual contribution to SMART as described more particularly in this Agreement (the "Annual Contribution").

NOW THEREFORE, in consideration of the premises, mutual covenants and mutual agreements contained herein, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1 "Annual Contribution" means an amount equal to the ad valorem tax collections received by the Authority for the 2020-21 and subsequent tax years as applicable, from the Authority's levy of the one mill tax, as such millage may be required to be reduced pursuant to section 34d of the General Property Tax Act, MCLA 211.34d, on all property subject to tax by the Authority, less those direct costs of administering the collection and distribution of those taxes as allowed under the Act and any other reductions as provided herein.

1.2 "Communities" mean cities, villages, townships or other political subdivisions located within Oakland County.

1.3 "Municipal Credit Funds" means those funds available to SMART as municipal credits in any applicable year pursuant to MCLA 247.6601.

1.4 "Opt-In Communities" means the Communities who passed a millage payable to the Authority to support public transportation in their communities.

1.5 "Opt-Out Communities" means Communities other than Opt-In Communities.

1.6 "SMART Budget" means the financial budget of SMART for each fiscal year, in whole or in part, included in the term of this Agreement for the entire SMART service area, including Oakland County, as set forth in Exhibit D, attached hereto.

1.7 "Transportation Services" means the transportation services to be provided by SMART in Oakland County for each SMART fiscal year, in whole or in part, covered by this Agreement as set forth in Exhibit A attached hereto.

ARTICLE II

TRANSPORTATION SERVICES

2.1 SMART agrees to undertake and provide the Transportation Services as set forth in Exhibit A attached hereto (the "Service Plan") in accordance with this Agreement and all applicable federal, state and local laws as they may from time to time be amended.

2.2 No significant amendment to the Service Plan may be made by SMART without the written consent of the Authority except as noted in paragraph 2.3. For purposes hereof, the term "significant amendment" shall mean any change to the Service Plan which would increase or decrease the cost of Transportation Services in Oakland County by an amount, taking into account all prior changes to the Service Plan, of more than Five Hundred Thousand and 00/100 (\$500,000.00) Dollars in the aggregate during the fiscal year covered by this Agreement.

2.3 In the event that SMART is subject to local, federal or state operating revenue reductions below that projected in an applicable SMART budget and which are beyond its control, service reductions shall be made to the extent minimally necessary in any one SMART fiscal year to balance SMART's budget. Such service reductions shall be made among the counties of Wayne, Oakland and Macomb in proportion to the percentages representing the local contributions of each of the three counties or, if more favorable to Oakland County, as otherwise approved by the SMART Board of Directors.

ARTICLE III

ANNUAL CONTRIBUTION

3.1 The Authority agrees to remit the Annual Contribution to SMART in accordance with the terms and conditions of this Agreement.

3.2 Provided that SMART has fulfilled all its obligations under this Agreement, the Annual Contribution shall be paid by the Authority to SMART in installments payable as follows:

- a. Receipts transferred by Oakland County from the Tax Collections fund to the OCPTA fund from the first (1st) through the fifteenth (15th) day of a month will be distributed to SMART on the 30th day of that month.
- b. Receipts transferred by Oakland County from the Tax Collections fund to the OCPTA fund from the sixteenth (16th) through the last day of a month will be distributed to SMART on the fifteenth (15th) day of the immediately following month.

The Annual Contribution shall be subject to a final reconciliation and payment once Oakland County makes its final reconciliation.

3.3 Notwithstanding Sections 3.1 and 3.2 above, the Authority may retain a maximum of \$40,000.00 of the Annual Contribution from the first and any other installment due in order to cover the costs of the Authority in connection with each of its fiscal years covered by this Agreement. The Authority shall prepare and provide SMART with an accounting of all expenditures deducted from the Annual Contribution.

3.4 Notwithstanding anything to the contrary contained in this Agreement, in no event may the Authority withhold paying the installments set forth above due to non-compliance by SMART with the Service Plan unless SMART shall have been previously notified by the Authority of such noncompliance. Once substantial compliance has been achieved, the Authority shall promptly remit the installments withheld.

3.5 Any interest earned on the Annual Contribution prior to payment shall be paid to SMART. Said interest shall be paid along with the installment due pursuant to Section 3.2 above.

ARTICLE IV

SMART BUDGET

4.1 Conformity With Project Budget. SMART shall carry out and perform the Transportation Services identified in Exhibit A, subject to the limitations described in Article II.

4.2 The SMART Budget shall, among other things, provide for services in Oakland County of a value of not less than the "allowable percentage" of total SMART revenues attributable to local funding provided to SMART by the Authority. As used herein, the term "allowable percentage" shall mean the percentage of SMART's total revenues attributable to the Annual Contribution provided by the Authority, determined on a reasonable basis acceptable to the Authority, less five percent (5%) (as the stipulated, maximum deviation factor).

ARTICLE V

PERFORMANCE REPORTING

5.1 As a condition precedent to the release of the first payment of the Annual Contribution due SMART, it shall provide the Authority with a Performance Audit as determined by the Oakland County Board of Commissioners, and Report of SMART's operations for the most recent fiscal year at SMART's expense, and if requested by the Authority, verification of the Performance Report by the Internal Audit Division of Oakland County or other third party selected by agreement between SMART and the Authority. Each Performance Report shall address the parameters set forth in Exhibit B as it may be amended from time to time by agreement.

5.2 SMART shall submit the Performance Report to the authority on or before April 30 of each year during the term of this Agreement. If the Authority timely receives the Performance Report on or before June 15 of that year, the Authority will review the Performance Report to determine whether SMART's public transportation services in Oakland County are reasonably acceptable and warrant renewal of the Agreement.

ARTICLE VI

FINANCIAL STATEMENT AUDIT

6.1 As a condition precedent to the release of payment of the Annual Contribution due, SMART shall provide the Authority with SMART's most recent audited financial statements, prepared in accordance with generally accepted accounting principles ("GAAP") by SMART's auditor (the "Financial Statements").

6.2 SMART will provide to the Authority, within thirty (30) days after the end of each fiscal quarter of SMART, quarterly interim compiled financial statements prepared in accordance with GAAP (provided that any notes may be omitted). The interim financial statements shall indicate variances between actual and budgeted amounts for the quarter at the Financial Statement level.

ARTICLE VII

ALLOCATION OF MUNICIPAL CREDITS

7.1 Municipal Credit Funds shall be allocated to the Communities and paid by SMART in accordance with the statute. SMART shall provide the Authority with a report on Municipal Credit Funds expenditures as approved by SMART Board of Directors in substantially the same form as in Exhibit C.

ARTICLE VIII

PERFORMANCE OF THE TRANSPORTATION SERVICES

8.1 General

- a. SMART shall commence, carry on, and complete the Transportation Services in a sound, economical and efficient manner, and in compliance with the Service Plan.
- b. Except as expressly set forth in this Agreement, nothing in this Agreement shall subject the Authority to any obligations or liabilities of SMART, its contractors or subcontractors, or any other person not a party to this Agreement (and therefore, no third-party beneficiaries are created by this agreement), in connection with the performance of any Transportation Services.

8.2 Authority Meetings. SMART's General Manager and other appropriate representatives shall make their best efforts to attend all meetings of the Authority where s/he or his/her representatives shall respond to inquiries of the Authority and provide such reports as reasonably requested.

ARTICLE IX

PROJECT ADMINISTRATION AND MANAGEMENT

9.1 In General. SMART is responsible for administration and management of the Transportation Services.

9.2 Inspection Rights. The Authority or its designee may conduct periodic on-site inspections of the Transportation Services and SMART's records to evaluate the effectiveness of SMART's performance of the Transportation Services and its adherence to this Agreement. Inspections by the Authority shall not relieve SMART of its responsibilities and liabilities

hereunder. Any inspection must be coordinated with SMART's personnel for purposes of adhering to applicable safety regulations and minimizing disruption.

ARTICLE X

RECORD KEEPING, AUDITS, INSPECTION, REPORTS, EVALUATION AND COOPERATION

10.1 Records Retention. Financial records, supporting documentation, statistical records, and all other records pertinent to the Transportation Services must be retained by SMART and be made readily available to authorized representatives of the Authority for the duration of the agreement.

10.2 Cooperation. SMART shall provide a periodic summary to the Authority of available grant opportunities and shall seek input and support from the Authority, as practicable, for any grants that could impact the Transportation Services, but which are otherwise not available to SMART. In addition and as practicable, SMART shall cooperate and provide input as needed by the Authority with respect to any grants available to it. SMART shall provide periodic updates to the Authority with respect to the marketing and advertising of the Transportation Services. The Parties shall cooperate in elevating the quality, accessibility and level of the Transportation Services and their equitable distribution and access. The Parties shall meet at least annually to discuss strategic goals and plans for the following year, to correct deficiencies in performance if found to exist and to advance the goals and principles set forth in this Agreement, including but not limited to, maximizing service and equitable inclusion.

ARTICLE XI

INSURANCE

11.1 Liability Insurance. SMART shall purchase and maintain, during the term of the agreement between the Parties, types and amounts of insurance which are set forth on Exhibit E attached hereto. The contractual liability insurance as applicable to SMART's obligations herein, shall be specifically endorsed to include coverage for the indemnity agreement described in Article XII below.

ARTICLE XII

INDEMNIFICATION

12.1 To the extent permitted by law, each party hereto shall hold the other harmless and indemnify the other, and each of their Board members, agents, employees, representatives, attorneys, volunteers and accountants, from and against any and all losses, expenses, damages (including loss of use), demands and claims, and shall defend any suit or action, whether at law or in equity, brought against them or any one or more of them based on any alleged injury (including death), or damage relating to or arising out of any act or omission of the other party, its officers, employees, agents, contractors, subcontractors and licensees, arising out of this Agreement or in connection with the Transportation Services, and shall pay all damages, judgments, costs, and expenses, including attorney's fees, in connection with any demands and claims resulting therefrom. The obligations under this Article XII shall survive the completion of the Transportation Services required to be performed hereunder by SMART and any end to this Agreement.

ARTICLE XIII

NON-COLLUSION

13.1 SMART warrants that it has not paid and agrees not to pay any bonus, commission, fee, or gratuity for the purpose of obtaining any approval pursuant to this Agreement. No SMART officer or employee, or board member shall be permitted to any share or part of this Agreement or to any material benefit arising therefrom.

ARTICLE XIV

SIGNS AND IDENTIFICATION

14.1 The Parties will not be identified on any vehicles, buildings, stations, equipment and other items used or acquired by them in connection with the Transportation Services without the prior written consent of the other Party, excluding SMART's standard vehicle branding.

ARTICLE XV

SEVERABILITY

15.1 If any provision of this Agreement is held invalid for any reason whatsoever, the remaining provisions shall not be affected thereby if such remainder would continue to conform to the purposes, terms, and requirements of applicable law.

ARTICLE XVI

ASSIGNMENT AND AGREEMENT

16.1 This Agreement shall not be assigned, transferred, conveyed, sublet or otherwise disposed of without the prior written consent of SMART and the Authority.

ARTICLE XVII

AMENDMENT

17.1 The Parties agree that no modification of this Agreement, or any Exhibits or Attachments hereto, shall be of any force or effect unless such amendment is dated, reduced to

writing, executed by both Parties, and attached to and made a part of this Agreement. No services shall be commenced and no costs or obligations incurred in consequence of any amendment to this Agreement or any attachments hereto unless and until such amendment has been executed and made a part of this Agreement.

ARTICLE XVIII

TITLES

18.1 The Parties agree that the titles of the articles and paragraphs of this Agreement are inserted for convenience of identification only and shall not be considered for any other purpose.

ARTICLE XIX

DOCUMENTS FORMING THIS AGREEMENT

19.1 The Parties agree that this Agreement, the Exhibits attached hereto and documents referred to herein constitute the entire Agreement between the Parties hereto, that there are no agreements or understandings, implied or expressed, except as specifically set forth or incorporated by reference in the Agreement and that all prior arrangements and understandings in this connection are merged into and contained in this Agreement.

ARTICLE XX

APPLICABLE LAW

20.1 This Agreement shall be construed pursuant to and governed by the substantive laws of the State of Michigan and applicable federal law (but any provision of Michigan law shall not apply if the application of such provision would result in the application of the law of a state or jurisdiction other than Michigan).

ARTICLE XXI

MISCELLANEOUS

21.1 All notices which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; one working day after transmitted, if transmitted by telecopy or similar electronic transmission method; when received, if sent by recognized expedited delivery service; five (5) days after it is sent, if mailed first class mail, and, when received if sent certified mail, return receipt requested, with postage prepaid. In each case notice shall be sent to:

To the Authority:

ATTN: Chair

Oakland County Public Transportation Authority

1200 N. Telegraph Road

Pontiac, Michigan 48341

To SMART:

Suburban Mobility Authority for Regional Transportation

ATTN: General Manager

535 Griswold, Suite 600

Detroit, MI 48226

With a copy sent to:

Suburban Mobility Authority for Regional Transportation

ATTN: General Counsel

535 Griswold, Suite 600

Detroit, MI 48226

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed
by affixing their signatures below:

SUBURBAN MOBILITY AUTHORITY FOR
REGIONAL TRANSPORTATION

By: _____

Its: Chair

OAKLAND COUNTY PUBLIC
TRANSPORTATION AUTHORITY

By: _____

Its: Chair

PUBLIC TRANSPORTATION SERVICES AGREEMENT SCHEDULE OF EXHIBITS

- Exhibit A Transportation Services
- Exhibit B Performance Audit/Report Parameters
- Exhibit C SMART Resolution Approving Municipal Credit Distribution
- Exhibit D SMART Annual Budget
- Exhibit E Insurance Certificate

OCPTA Agreement - EXHIBITS



agenda item

Exhibits A and B. Oakland County Public Transportation Services and Performance Reporting

A: Transportation Services

SMART will provide a descriptive summary of the transit services it supports and provides in Oakland County, to be updated quarterly. This document will include maps, graphics, and text and will be formatted in a way to make it compatible with a web page and mobile web viewing through a link. The listing of services will be hosted on SMART's website, and a link to that page will be posted by OCPTA on their website. The listing will include the following:

- Description of Different Types of Services (including number of routes of each type)
- Annual Ridership of each Type of Service
- List of Services Sorted by Community (including description of community control over service design, and identifying which communities have opted in to OCPTA)
- Map of Fixed Route and Flexible Route/Shuttle Services
- Summary of types of vehicles (including fuel types and percentage fully accessible)
- Graphics/Diagrams Explaining How Various Services Work
- Specific Summary/Callout of Mobility Innovations (e.g. Connected/Autonomous Vehicle Infrastructure, Mobility as a Service (MaaS))

B: Performance Reporting

Performance Reporting will be updated on an ongoing basis, and will be prepared using all available metrics and methods as adopted by other agencies and regulatory bodies, such as National Transit Database, USDOT, MDOT, SEMCOG, Oakland County, and RTA. The data will be hosted on SMART's website. It may include the following (these numbers will be calculated using reasonable ways to tie the data to Oakland-based services when practicable):

Transit Service Performance:

- Average Weekday Unlinked Trips
- Average Saturday Unlinked Trips
- Average Sunday Unlinked Trips
- SMART-Operated Curb-to-Curb Service
- CPP-Operated Curb-to-Curb Service
- Annualized Vehicle Revenue Miles
- Peak Vehicle Count for Fixed Route
- Peak Vehicle Count for Non-fixed Route (can be broken out by services)
- (SMART-wide) Average Fleet Age (Fixed Route and non-Fixed Route)

Customer Service:

- Trips Scheduled via Phone
- Customer Complaints Received
- Calls Resolved on First Call
- Average Response Time for Complaints Requiring Follow-up

Other Agency Performance:

- Budgeted positions vs filled (including progress in quarter and YTD)
- Fare purchase method (cash vs pass vs mobile)

DATE: May 28, 2020
TO: SMART Board of Directors
FROM: Deputy General Manager

DISPOSITION SOUGHT: Approval
SUBMITTED BY: Deputy General Manager

SUBJECT: Fiscal Year 2021 Municipal Credit, Community Credit, and Purchase of Service Agreements

SUMMARY:

Board authorization is sought thereby permitting the execution of Municipal and Community Credit and Purchase of Service (POS) contracts with local communities and agencies entitled to receive total funding in excess of \$50,000. The agreements involve funds from the FY 2021 Act 51 Municipal Credit Program, SMART's Community Credit Program, and federal pass-through funds for Monroe County.

DISCUSSION:

Municipal and Community Credit and POS agreements provide, and govern the use of, the primary source of operating revenue for SMART's community based Community Transit programs.

Municipal Credit funds are allocated on a per capita basis to each municipality in Macomb, Oakland, and Wayne counties. The funding level is determined by the Michigan Legislature and is unchanged from the last year, consistent with the figures established using 2010 census figures.

Community Credit Program funds were generated in the past by the tax collected in Macomb County, and the opt-in communities in Oakland and suburban Wayne counties. First implemented by the Board of Directors in 1996, the program was designed to support the expanded operation of local transportation programs by providing operating and capital funds to local units of government. The availability of Community Credits in 2021 is made possible due to the passage of the August 7th, 2018, one mill, SMART ballot proposal. Community Credit funds are only made available to local communities that participate in the collection of the transportation millage. Community Credits are included in the Fiscal Year 2021 Budget.

Purchase of Service (POS) contracts are executed with transportation providers for the provision of paratransit services. The providers operate public transportation service within their respective service areas under the terms and conditions set forth by the SMART Board of Directors. Tri-County POS projects are funded with a combination of Municipal and Community Credits, local funds, and other grants. The Monroe county POS projects are funded through SMART with state and federal funds at the level they would receive if their projects applied independently.

All funds are in the FY 2021 operating budget and the contracts are effective July 1, 2020 through June 30, 2021.

For a complete list of communities and agencies receiving funds in excess of \$50,000 see the tables following the attached Resolution.

RECOMMENDATION:

That the SMART Board of Directors approve the attached resolution authorizing the execution of contracts described herein.

ATTACHMENTS:

1. Resolution
2. Listing of FY 2021 MC, CC, POS Contracts, and Monroe County Pass-Through Funds (Communities Receiving More Than \$50,000)

FY 2021 MC, CC, POS Contracts, and Monroe County Pass-Through Funds (Communities Receiving More Than \$50,000)

MC/CC Contracts (>\$50,000)						
County	Communities	Municipal Credits (j)	Community Credits	SPECIAL SUBSIDIES	TOTALS	
MACOMB	Charter Township of Chesterfield (ii)	\$42,674	59,552	-	\$ 102,226	
	Charter Township of Clinton	95,190	152,283	-	\$ 247,473	
	City of Eastpointe (*)	31,920	56,661	-	\$ 88,581	
	Charter Township of Harrison	24,168	80,004	-	\$ 104,172	
	Macomb Township (iii)	78,280	131,272	-	\$ 209,552	
	Richmond Lenox EMS (iv)	-	-	125,000	\$ 125,000	
	City of Roseville (*)	46,512	81,671	-	\$ 128,183	
	Charter Township of Shelby (v)	72,580	169,454	-	\$ 242,034	
	City of Sterling Heights	127,566	198,170	-	\$ 325,736	
	City of St. Clair Shores	58,710	107,804	-	\$ 166,514	
	City of Warren	131,822	231,661	-	\$ 363,483	
	Washington Township (vi)	22,990	44,562	-	\$ 67,552	
	City of Auburn Hills	21,052	29,926	-	\$ 50,978	
	Charter Township of Bloomfield (i)	40,394	65,750	35,000	\$ 141,144	
	City of Farmington Hills (vii)	78,470	121,597	-	\$ 200,067	
	City of Ferndale	19,570	36,997	-	\$ 56,567	
	City of Birmingham	19,760	30,416	-	\$ 50,176	
City of Madison Heights	29,184	49,001	-	\$ 78,185		
City of Novi	54,454	-	-	\$ 54,454		
City of Oak Park	28,842	46,562	-	\$ 75,404		
City of Pontiac (l)	58,520	106,995	-	\$ 165,515		
City of Rochester Hills	69,806	-	-	\$ 69,806		
City of Royal Oak (viii)	56,278	97,835	-	\$ 154,113		
City of Southfield	70,566	115,949	-	\$ 186,515		
City of Troy	79,648	122,169	-	\$ 201,817		
City of Walled Lake	6,878	150,411	-	\$ 157,289		
Charter Township of Waterford	70,528	-	-	\$ 70,528		
Charter Township of W. Bloomfield (i)	63,612	97,873	35,000	\$ 196,485		
WAYNE	City of Allen Park	27,740	47,038	-	\$ 74,778	
	Charter Township of Canton	88,692	-	-	\$ 88,692	
	City of Dearborn	96,520	147,784	-	\$ 244,304	
	City of Dearborn Heights	56,810	92,475	-	\$ 149,285	
	Garden City (*)	27,246	48,158	-	\$ 75,404	
	City of Hamtramck (l)	22,040	34,728	-	\$ 56,768	
	City of Inkster (*)	24,966	47,131	-	\$ 72,097	
	City of Lincoln Park	37,506	63,552	-	\$ 101,058	
	City of Livonia	95,342	-	-	\$ 95,342	
	City of Romulus	23,598	35,383	-	\$ 58,981	
	City of Southgate	29,564	47,139	-	\$ 76,703	
	City of Taylor	62,092	106,554	-	\$ 168,646	
	City of Westland (*)	82,726	131,807	-	\$ 214,533	
	City of Wyandotte	25,460	46,123	-	\$ 71,583	
	TOTAL MC/CC Contracts (>\$50,000)		2,200,276	3,232,447	195,000	\$ 5,627,723

FY 2021 MC, CC, POS Contracts, and Monroe County Pass-Through Funds (Communities Receiving More Than \$50,000)

POS Contractor Contracts (>\$50,000)					
County	Communities	Municipal Credits	Community Credits	SPECIAL SUBSIDIES	TOTALS
WAYNE	Nankin (ix)	\$ -	-	328,000	\$ 328,000
	Charter Township of Redford	\$ 47,576	82,000	-	\$ 129,576
	TOTAL POS Contractor Contracts (>\$50k)	\$ 47,576	\$ 82,000	\$ 328,000	\$ 457,576
Summary: MC/CC AND POS Contractor Contracts (>\$50,000)					
	Subtotal MC/CC Contracts (>\$50,000)	2,200,276	3,232,447	195,000	\$ 5,627,723
	Subtotal POS Contractor Contracts (>\$50k)	47,576	82,000	328,000	\$ 457,576
	TOTAL MC/CC/POS (>\$50,000 / Community)	\$ 2,247,852	\$ 3,314,447	\$ 523,000	\$ 6,085,299

- Dollar amounts reflect the fact that SMART's 5% administrative fee has been deducted.
- Chesterfield purchases CPP services from Richmond Lenox in excess of \$65,000.
- The Cities of Roseville and Eastpointe transfer their credits to their joint Recreational Authority
- Macomb Twp. is expected to transfer at least \$194,522 in Credits to the Richmond Lenox EMS for CT services.
- REMS operates CPP service under contract with SMART for riders in certain north Macomb communities to connect with the 560/563 (Griot) fixed-route buses. REMS also contracts directly with SMART and several communities to provide CPP services.
- Shelby Twp. also contracts for the City of Utica's funds (\$12,642).
- Washington Twp., along with Bruce Twp. and the Village of Romeo transfer their credits to STAR Transportation.
- Subsidy funding for transportation coordinator position in the community.
- Garden City, Inkster, Westland (and Wayne), under an inter-local agreement, transfer their credits to Nankin Transit Commission which is governed by a separate POS agreement.
- City of Farmington Hills also contracts for the City of Farmington's funds (\$25,947)
- In lieu of receiving their SMART Credits, Pontiac and Hamtramck currently contract with SMART to operate additional Connector service.
- Royal Oak also contracts for the City of Pleasant Ridge's funds (\$6,637).
- Subsidy provided to offset the lack of direct-operated SMART Connector service.

Monroe County Federal and State Pass-Through Funds (Operating Funds Only)					
		Section 5307	Section 5311 (h)	Act 51 (h)	TOTALS
MONROE	Monroe		160,000	528,000	\$ 688,000
	Bedford	\$ -	-	128,000	\$ 128,000
	Lake Erie	\$ 558,000	65,000	1,255,000	\$ 1,878,000
TOTAL Monroe County Pass-Through Funds		\$ 558,000	225,000	1,911,000	\$ 2,694,000

(h) Section 5311 and Act 51 funds are estimates - final amounts are not available at this time.



FISCAL YEAR 2021 OPERATING AND CAPITAL BUDGET

Presented to the Suburban Mobility Authority for Regional Transportation Board of Directors
May 28, 2020



Suburban Mobility Authority for Regional Transportation
Board of Directors

WAYNE COUNTY

Abdul Haidous
Khalil Rahal

OAKLAND COUNTY

Hilarie Chambers
Bret Rasegan

MACOMB COUNTY

John Paul Rea
Vicki Wolber

MONROE COUNTY

Royce Maniko

Robert Cramer, Deputy General Manager
David Sabuda, CPA, Director of Finance



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EXECUTIVE SUMMARY



OCPTA Agreement - EXHIBITS

FY 2021 OPERATING BUDGET EXECUTIVE SUMMARY

OVERVIEW

The recommended Fiscal Year (FY) 2021, Suburban Mobility Authority for Regional Transportation's, (SMART) operating budget is \$136.5 million which includes a \$500,000 expense contingency. These funds will be utilized to provide for regular fixed route bus service, FAST fixed route bus service and connector bus service in all participating Public Act 196 (of 1986) communities within Oakland and Wayne Counties and all of Macomb County.

SMART also appropriates each fiscal year a restricted operating budget. This restricted operating budget passes through federal and state grant dollars to non-profit organizations and municipalities across Macomb, Monroe, Oakland and Wayne Counties to contractually provide bus transportation services within their communities. The FY 2021 restricted operating budget is recommended to be \$9,234 million.

SMART also applies for federal and state grants to assist in paying for capital and operating costs of the Authority. Separately, for FY2021, SMART has an estimated \$55.0 million in federal and state grants which were awarded to SMART in prior fiscal years. Further, SMART has applied for an additional \$39.9 million in federal and state grants for use in FY2021. Within the \$94.9 million in grant funding, \$8.8 million is appropriated within the FY2021 operating budget.

OPERATIONS BUDGET:

The recommended FY2021, SMART revenue budget amounts to \$136.5 million. This includes approximately \$10.9 million in anticipated fare box revenues, \$5.6 million in federal grant sources, \$37.0 million in State gas tax (PA Act 51 of 1951), dollars and another \$3.2 million in various State grant dollars. SMART is also appropriating a net transportation property tax levy in the amount of \$75.2 million, with these tax dollars being derived from all participating PA196 transportation communities. The property tax levy was approved by participating voters in August 2018 and covers operating years FY 2019 through FY2022. The next millage renewal will be in August 2022, covering the period of FY 2023 through FY2026. The Headlee amendment is taken into consideration when estimating tax contributions to SMART. The balance of operating revenue for operations amounts to \$4.4 million and includes interest and advertising income along with local community transit operating revenue.

The FY2021, SMART operational expenditure appropriations amount to \$136.5 million. Expenditure appropriations include \$97.3 million to provide fixed route and FAST bus service within Macomb County and the participating communities in Oakland and Wayne Counties. Connector bus service has an expenditure appropriation of \$16.0 million which includes additional American with Disabilities Act (ADA) connector bus service due to the implementation of the FAST service. The annual Community Credit subsidy along with Point of Service Assistance for various communities and non-profit entities is recommended to be appropriated at \$4.9 million for FY2021. FY2021, marketing and advertising, depreciation and administration salaries/fringe benefits and supplies are being appropriated at \$17.9 million. Again, \$500,000 in appropriation will be set aside for contingency purposes.

Pension and Other Post Employment Benefit (OPEB) employer contribution expenditures of the Authority are spread among the Operations Sections of the Authority as well as General Administration as described earlier. Total net employer contributions amount to \$13.6 million for the employer pension contribution as well as a \$7.450 million OPEB employer contribution for FY2021 which is in addition to an \$8.0 million retiree pay go premium payments which is also applied to the OPEB liability. We are anticipating that the OPEB contribution of \$7.450 million would increase funding of his liability to 38% which would bring SMART almost into compliance with PA 202 of 2017 which requires an OPEB funding level of 40%.

RESTRICTED OPERATING:

A detail of the FY2021, SMART restricted budget of \$9,230 million in federal and state grants is as follows:

	<u>Grant Description</u>	<u>Community</u>	<u>Amount</u>	
1	Federal 5307 Governor Apportionment - Operating	LETC	\$558,000	
2	Federal 5311 Non-Urban Operation	LETC	225,000	
3	State Gas Tax, CTF, LBO	LETC/Bedford	<u>1,911,000</u>	\$2,694,000
4	State Grant Municipal Credits	Non Profits & Communities		3,261,000
5	State Grant Specialized Services	Non Profits & Communities		922,000
6	Federal 5310 - New Freedom - (Urban/Non-Urban)	Non-Profits & Communities		1,200,000
7	Royal Oak Township			16,000
8	JARC/New Freedom Programs	Non-Profits & Communities		<u>1,141,000</u>
	Total Federal/State Pass Through Grant Dollars			\$9,234,000

All 5311 dollars are non-urban.

CAPITAL EXPENDITURES:

In the area of capital expenditures for FY2020, SMART received final delivery of twenty-four (24) replacement connector buses in October of 2019. Fifteen (15) of the replacement Connector buses are incorporated into the SMART fleet and Nine (9) are being utilized by outside agencies via the 5310 program. The final thirty-eight (38) Linehaul buses from the City of Los Angeles that were needed for the FAST program arrived in September 2019.

For FY2021, SMART has ordered and will receive four (4) Proterra Electric Linehaul buses along with eighteen (18) Gillig diesel Linehaul buses. These buses will replace New Flyer buses being utilized within the fleet today. Further, federal and state grant dollars will pay 100% of the cost of these buses with the exception of the electric batteries which will be leased and are part of the Maintenance Department operating budget of the Authority.

The Authority is anticipating in FY2022 purchasing twenty-four (24) Gillig replacement buses to complete the replacement of New Flyer buses in the fleet.

Additional capital projects for FY2021 include SMART continuing to perform facility rehabilitation improvements at all three terminals. The facility rehabilitation improvements include a new fuel management system replacing all fuel tanks and reconstructing the pavement at the Macomb terminal. It is anticipated that SMART will start replacing bus fare boxes in FY2021 along with Information Technology improvements within all buses and across the Authority.

OTHER ECONOMIC:

The Authority is currently bargaining with three of the five Authority labor contracts in FY2020. Further, SMART will continue to work with its current service communities to improve local service and continue to be in contact with as many of the communities in Oakland and Wayne Counties that are not PA 196 communities as possible to try and insure safe and affordable transportation for all in the tri-county and Monroe service area.



FINANCIAL REVIEW

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OCPTA Agreement - EXHIBITS

SMART FUNCTIONAL FY2021 OPERATING BUDGET	FY2020 BUDGET	FY2021 BUDGET	\$ Variance FAV(UNFAV)	% Variance FAV(UNFAV)
REVENUE				
FEDERAL OPERATING REVENUE:				
SECTION 5307	\$ 4,000,000	\$ 4,000,000	-	
OTHER FEDERAL GRANTS	968,800	1,621,000	652,200	67.3%
TOTAL FEDERAL OPERATING REVENUE	4,968,800	5,621,000	652,200	13.1%
STATE OF MICHIGAN				
ACT 51	36,325,000	37,000,000	675,000	1.9%
OTHER STATE GRANTS	1,187,700	3,219,000	2,031,300	171.0%
TOTAL STATE OPERATING REVENUE	37,512,700	40,219,000	2,706,300	7.2%
CONTRIBUTION FROM COUNTY TRANSIT AUTHORITIES	72,450,800	75,282,000	2,831,200	3.9%
OPERATING REVENUE				
FIXED ROUTE	12,000,000	10,450,100	(1,549,900)	-12.9%
CONNECTOR	615,000	515,000	(100,000)	-16.3%
OTHER INCOME	2,344,000	3,488,000	1,144,000	48.8%
LOCAL COMM TRANSIT OPERATING REVENUE	913,700	880,000	(33,700)	-3.7%
TOTAL REVENUE	130,805,000	136,455,100	5,650,100	4.3%
EXPENSES				
OPERATIONS:				
FIXED ROUTE	94,337,400	97,276,400	(2,939,000)	-3.1%
CONNECTOR	14,655,000	16,913,300	(1,358,300)	-9.3%
GENERAL ADMINISTRATION	14,153,800	15,669,400	(1,515,600)	-10.7%
COMMUNITY CREDITS	3,840,200	3,913,000	(72,800)	-1.9%
TRI COUNTY POS ASSISTANCE	651,000	654,000	(3,000)	-0.5%
COMMUNITY BASED SERVICE	192,600	195,000	(2,400)	-1.2%
DEPRECIATION EXPENSE	1,775,000	1,800,000	(25,000)	-1.4%
VEHICLE PURCHASE EXPENSE		434,000	(434,000)	-100.0%
CONTINGENCY	1,200,000	500,000	700,000	58.3%
TOTAL EXPENSES	130,805,000	136,455,100	(5,650,100)	-4.3%
REVENUES OVER (UNDER) EXPENSES	-	-	-	-

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SMART OPERATIONAL OPERATING BUDGET	FY2020 BUDGET	FY2021 BUDGET	\$ Variance FAV(UNFAV)	% Variance
REVENUE				
Route Revenue:				
Fare Revenue	12,465,000	10,850,100	(1,614,900)	-13.0%
Agency Revenue	150,000	115,000	(35,000)	-23.3%
Total Route Revenue	12,615,000	10,965,100	(1,649,900)	-13.1%
% Of Total Revenue	10%	8%		
Federal Sources:				
Section 5307 Revenue	4,000,000	4,000,000		
Federal Grants/WP/TAM	371,000	372,000	400	0.1%
CMAQ Revenue				
Other Federal Grants	397,200	1,049,000	651,800	164.1%
Total Federal Sources	4,968,200	5,921,000	952,800	13.1%
% Of Total Revenue	4%	4%		
State Sources:				
State ACT 51 SMART	36,325,000	37,000,000	675,000	1.9%
State Prev Maint Rev	1,000,000	1,000,000		
Other State Grants	187,700	2,219,000	2,031,300	1082.2%
Total State Sources	37,512,700	40,219,000	2,706,300	7.2%
% Of Total Revenue	29%	29%		
Local Sources:				
Contributions From Local Transit Authorities	73,350,800	75,432,000	2,081,200	2.8%
Allowance For MTT	(900,000)	(150,000)	750,000	83.3%
Total From Local Sources	72,450,800	75,282,000	2,831,200	3.9%
% Of Total Revenue	55%	55%		
Other Income:				
Interest Income	1,650,000	1,710,000	60,000	3.6%
Advertising	600,000	750,000	150,000	25.0%
Admin Fee Revenue	3,639,900	533,900	(3,106,000)	-85.3%
Miscellaneous	94,000	495,000	401,000	426.6%
Total Other Income	2,344,000	3,488,000	1,144,000	48.8%
% Of Total Revenue	2%	3%		

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SMART OPERATIONAL OPERATING BUDGET	FY2020 BUDGET	FY2021 BUDGET	\$ Variance FAV(UNFAV)	% Variance
Other Operating Revenue:				
Local Community Transit Operating Revenue	251,000	280,000	29,000	11.6%
Fleet Maintenance Reimbursement	662,700	600,000	(62,700)	-9.5%
Total Other Operating Revenue	913,700	880,000	(33,700)	-3.7%
% Of Total Revenue	7%	7%		
TOTAL REVENUES	\$ 130,805,000	\$ 136,455,100	\$ 5,650,100	4.3%

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SMART OPERATIONAL OPERATING BUDGET	FY2020 BUDGET	FY2021 BUDGET	\$ Variance FAV(UNFAV)	% Variance
EXPENSES (Part 1 of 3)				
WAGE AND WAGE RELATED EXPENSES:				
ACTIVE EMPLOYEES:				
Active Salaries, Wages & Taxes:				
Administrative	6,484,800	6,686,500	(201,700)	-3.1%
Operations	32,776,500	35,746,900	(2,970,400)	-9.1%
Maintenance	9,639,900	10,344,200	(704,300)	-7.3%
Total Active Salaries, Wages, Taxes	48,901,200	52,777,600	(3,876,400)	-7.9%
% Of Total Revenue	37%	39%		
Active Employee Benefits:				
Hospitalization/Medical	11,800,000	12,779,200	(979,200)	-8.3%
Employee Premium Sharing-Health Care	(1,652,000)	(1,516,600)	1,354,000	82.3%
Life, AD&D, Dental, & Optical	1,245,000	1,295,200	(50,200)	-4.0%
Other Employee Benefits	251,300	207,100	44,200	17.6%
Health Care Savings Plan	960,000	996,000	(36,000)	-3.7%
Workers Compensation	1,241,600	1,274,000	(32,400)	-2.6%
FICA	3,912,100	4,039,000	(126,900)	-3.2%
Pension Funding	13,412,000	13,627,200	(215,200)	-1.6%
Total Active Employee Benefits	31,171,400	32,701,400	(1,530,000)	-4.9%
% Of Total Revenue	24%	24%		
% Of Total Active Wages	64%	62%		
Total Active Employee Wages & Benefits:	80,072,600	85,479,000	(5,406,400)	-6.8%
% Of Total Revenue	61%	63%		
RETIRED EMPLOYEES:				
Post Employment Benefits:				
OPED Net Unfunded Obligation	6,300,000	7,450,000	(1,150,000)	-18.3%
Retiree Medical, Life & Presc Premiums	8,445,000	7,891,000	554,000	6.6%
Post Retirement Benefits Subtotal	14,745,000	15,341,000	(596,000)	-4.0%
Other Post Employment Benefits	2,200	2,200		100.0%
Total Post Retirement Benefits	14,747,200	15,343,000	(595,800)	-4.0%
% Of Total Revenue	11%	11%		
Total Wage and Wage Related Expenses	94,819,800	100,820,000	(6,000,200)	-6.3%
% Of Total Revenue	72%	74%		

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OCPTA Agreement - EXHIBITS

SMART OPERATIONAL OPERATING BUDGET		FY 2020 Budget	FY 2021 Budget	\$ \$ Variance FAV(UWFAV)	% Variance
EXPENSES (Part 2 of 3)					
Operations:					
Operational Expenses					
Direct Variable (Vehicle):					
Fuels - Diesel, Propane	7,200,000	6,325,000	875,000	12.2%	
Gas, Oil, Lubricants, Etc.	564,000	506,100	57,900	10.3%	
Repair Parts	3,320,000	3,530,000	(210,000)	-6.3%	
Tires	849,000	953,000	(104,000)	-12.3%	
Vehicle Insurance	7,742,100	7,333,700	408,400	5.3%	
Bus Contract Repairs-Maintenance	744,200	672,100	(72,100)	-9.7%	
Contract Repairs-Accidents	70,000	175,000	(105,000)	-150.0%	
Towing	225,000	186,000	39,000	17.3%	
Total Direct Variable (Vehicle)	20,713,300	19,880,900	832,400	4.0%	
% Of Total Revenue	46%	45%			
Indirect Variable:					
Radio Towers					
Fare Collection Costs	620,500	612,000	8,500	1.4%	
Route Facilities Maint.	173,000	188,300	(15,300)	-8.8%	
Other-Operational	270,900	319,400	(48,500)	-17.9%	
Total Indirect Variable	1,064,400	1,119,700	(55,300)	-5.2%	
% Of Total Revenue	7%	7%			
Facilities:					
Utilities	1,454,000	1,613,500	(159,500)	-11.0%	
Contract Bldg Maint.	726,200	736,700	(10,500)	-1.4%	
Other-Facilities Expenses	357,500	350,100	7,400	2.1%	
Business Insurance	66,500	79,900	(13,400)	-20.2%	
Total Facilities	2,604,200	2,780,200	(176,000)	-6.8%	
% Of Total Revenue	2%	2%			
Total Operational Expense	24,381,900	23,780,800	601,100	2.5%	
% Of Total Revenue	54%	53%			

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SMART OPERATIONAL OPERATING BUDGET		FY 2020 Budget	FY 2021 Budget	\$ \$ Variance FAV(UWFAV)	% Variance
EXPENSES (Part 3 of 3)					
Administration, Other, Spec. Serv, Contingency:					
Administrative					
General Supplies	535,700	562,800	(27,100)	-5.1%	
Professional, Outside Serv.	1,698,600	1,310,000	388,600	22.9%	
Outside Counsel (Non V/L & W/C)	296,500	300,000	(3,500)	-1.2%	
Computer Maint.	582,400	744,800	(162,400)	-27.9%	
Marketing Expense	792,000	1,002,000	(210,000)	-26.5%	
Other-Administration	246,000	438,700	(192,700)	-78.3%	
Total Administration	4,151,200	4,398,300	(247,100)	-6.0%	
% Of Total Revenue	9%	9%			
Other					
Vehicle Purchase Expense		434,000	(434,000)	-100.0%	
Depreciation-Eligible	1,775,000	1,800,000	(25,000)	-1.4%	
Total Other	1,775,000	2,234,000	(459,000)	-25.9%	
% Of Total Revenue	4%	5%			
Special Services:					
Community Credit Exp.	3,840,200	3,913,000	(72,800)	-1.9%	
POS & Community Transit Serv.	636,900	849,000	(212,100)	-33.3%	
Total Special Services	4,477,100	4,762,000	(284,900)	-6.4%	
% Of Total Revenue	10%	10%			
Contingency					
	1,200,000	500,000	700,000	58.3%	
Total Operational Expenses	35,985,200	35,635,100	350,100	1.0%	
% Of Total Revenue	80%	80%			
TOTAL EXPENSES (Wages & Operational)	\$ 130,805,000	\$ 130,455,100	\$ (349,900)	-0.3%	
% Of Total Revenue	100%	100%			
REVENUES OVER (UNDER) EXPENSES					

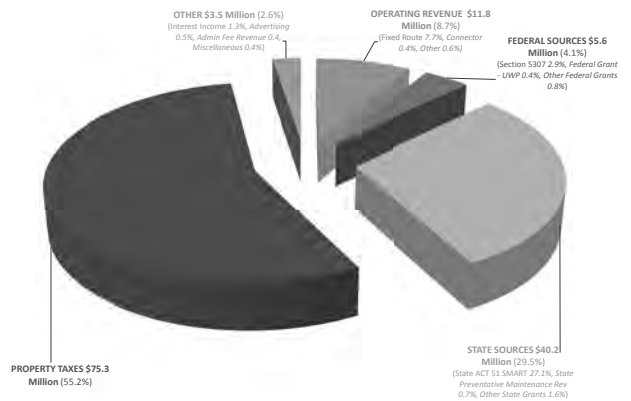
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SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION FY2021 RESTRICTED OPERATING BUDGET SUMMARY

RESTRICTED REVENUE	FY2020 BUDGET	FY2021 BUDGET	INCREASE (DECREASE)
MUNICIPAL CREDITS:			
MUNICIPAL CREDIT - ACT 51	\$ 1,630,550	\$ 1,630,500	\$ 50.00
MUNICIPAL CREDIT - SPECIAL APPROPRIATION	1,630,550	1,630,500	50.00
TOTAL MUNICIPAL CREDITS	3,261,100	3,261,000	100
OUTER COUNTY POS:			
FTA SECTION 5307			
LAKE ERIE	522,000	558,000	36,000
STATE ACT 51			
BEDFORD	127,000	128,000	1,000
MONROE	310,400	528,000	217,600
LAKE ERIE	1,289,600	1,255,000	(34,600)
STATE SECTION 5311			
MONROE	140,000	160,000	20,000
LAKE ERIE	60,000	65,000	5,000
TOTAL OUTER COUNTY POS	2,449,000	2,694,000	245,000
OTHER STATE SUBSIDIZED SERVICES:			
SPECIALIZED SERVICES GRANT	787,800	922,000	134,200
ROYAL OAK TOWNSHIP - ACT 51	23,100	16,000	(7,100)
NORTH OAKLAND TRANSIT AUTHORITY - NEW FREEDOM	40,000	180,000	140,000
NORTH OAKLAND TRANSIT AUTHORITY - SEC 5311 JARC	112,000	372,000	260,000
RICHMOND LENOX EMS - SEC 5311 JARC	68,600	-	(68,600)
TOTAL OTHER STATE SUBSIDIZED SERVICES	1,031,500	1,490,000	458,500
SUB-AWARD GRANTEEES:			
FTA SECTION 5310 GRANT	1,000,000	1,789,000	789,000
TOTAL RESTRICTED REVENUE	7,741,600	9,234,000	1,492,600
RESTRICTED EXPENSES			
MUNICIPAL CREDITS	3,261,100	3,261,000	100
OUTER COUNTY POS	2,449,000	2,694,000	245,000
OTHER STATE SUBSIDIZED SERVICES	1,031,500	1,490,000	458,500
SUB-AWARD GRANTEEES	1,000,000	1,789,000	789,000
TOTAL RESTRICTED EXPENSE	7,741,600	9,234,000	1,492,600
REVENUE OVER (UNDER) EXPENSE	\$ -	\$ -	\$ -

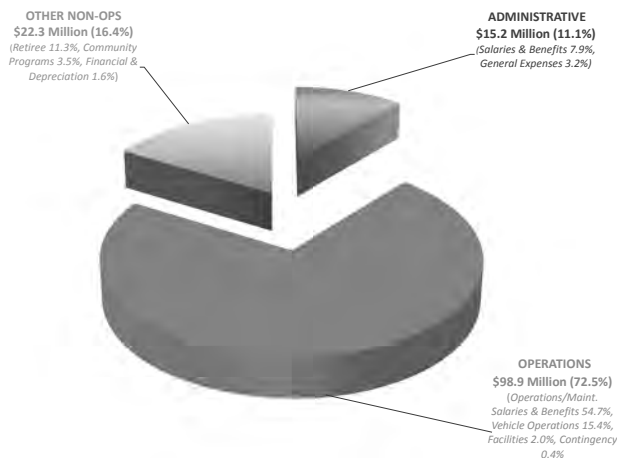
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FY 2021 BUDGET REVENUE ALLOCATION



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FY 2021 BUDGET EXPENSE ALLOCATION



**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
REVENUE ASSUMPTIONS**

FEDERAL SOURCES:

FTA Section 5307:

The Authority is a recipient of funds under Section 5307 of the Urban Mass Transportation Act of 1964, as amended, which provides funds for mass transportation programs.

The Regional Transit Authority determines the distribution of the Detroit Region's funding annually. SMART expects the FY2021 distribution will be at the same rate as FY2020. Funding will be used primarily for capital needs and a marginal portion for preventive maintenance.

Other Federal Grants:

The Authority is a recipient of the Unified Work Program (UWP) grant. This grant continues as historically awarded annually, with a budget of \$389,500 for FY2021. The Authority has applied for a Service Development-New Technology grant for an additional \$325,000.

The Authority is the designated recipient of Federal capital and operational funding for the purpose of passing through funds to subrecipients. SMART has received various federal program awards covering a portion of administrative costs incurred while administering these grants. SMART's FY2021 budget for program administration revenue is \$45,000. Additionally, SMART expects to pass-through \$1,200,000 to its subrecipients for transit operations utilizing these grant types.

The Authority is a recipient of a New Freedom Mobility Management grant award. This grant is expected to cover the salaries of three staff to carry out SMART's efforts to enhance and improve mobility for New Freedom eligible clients.

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
REVENUE ASSUMPTIONS**

STATE OF MICHIGAN SOURCES:

	Total	Unrestricted	Restricted
State of Michigan- Act 51			
Detroit UZA: SMART	\$40,261,100	\$37,000,000	\$3,261,100
Detroit UZA: Royal Oak Twp. Subrecipient	16,000	-0-	16,000
Bedford UZA: LET Subrecipient	128,000	-0-	128,000
Monroe: LET Subrecipient	528,000	-0-	528,000
Lake Erie: LET Subrecipient	1,255,000	-0-	1,255,000
Total Act 51 Formula Funding	\$42,188,100	\$37,000,000	\$5,188,100

The Authority is a recipient of operating assistance funds from the State of Michigan under Act 51 of the Public Acts of 1951 (Comprehensive Transportation Fund or CTF), as amended. The State of Michigan makes a distribution of CTF funds, which are annually appropriated by the State Legislature for mass transit operating assistance. Based on eligible expenses submitted by each Michigan eligible transit agency, a funding allocation of CTF funds is calculated by MDOT for distribution to each transit agency. Under Act 51, large urban transit agencies are eligible to receive up to 50% eligible expense reimbursement, while non-urban agencies are eligible to receive up to 60%.

SMART is the designated recipient of Act 51 funding for the purpose of passing through such funds to sub-recipient, Lake Erie Transit and Royal Oak Township. The Regional Transit Authority determined the FY2020 Act 51 reimbursement rate of 30.9848%, based on member transit agencies budgeted expenses. SMART's estimated FY2021 reimbursement rate is 30.099%.

A portion of Act 51 funds, \$1,630,550, are formula Municipal Credit funding, restricted for the purpose of passing through to local community transit providers. Additionally, MDOT's special appropriation of Municipal Credit Sec. 10e (4) (d) is expected to continue in the same amount of \$1,630,550, for a total Municipal Credit amount of \$3,261,100.

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY 2021 OPERATING BUDGET
REVENUE ASSUMPTIONS**

LOCAL SOURCES:

Contributions from County Transit Authorities (local property tax revenue allocation):

On August 7, 2018, voters in participating Public Act 196 (of 1986) communities within Wayne and Oakland Counties as well as all of Macomb County voted on a new \$1.00/thousand property tax rate to operate transit within their respective communities for the period of FY 2019 through FY2022. This new \$1.00/thousand property tax rate passed in Macomb County as well as all participating communities. These tax rates have been rolled back by the Headlee amendment and vary by County.

For FY2021, it is estimated that 5% of SMART property taxes will go uncollected either through DDA, TIF, pay-in-lieu of tax, delinquent personal property taxes, renaissance zone property tax reductions or Michigan Tax Tribunal judgments.

The estimated average tax rate is \$0.9948/thousand property tax rate net contribution by County is as follows:

County	In Millions	Percent of Total
Macomb	\$27.2	36.0%
Oakland	30.6	41.0%
Wayne	17.5	23.0%
Net Total Levy	\$75.3	100.0%

Operational expenditures for fixed and connector bus service are allocated in accordance with the percent total (within 1%) of the property tax levy allocation highlighted above.

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
REVENUE ASSUMPTIONS**

OPERATING SOURCES:

Fare Collections

	<u>Fixed Route Services</u>	<u>Connector Services</u>
Customers	9,718,210	312,044
Average Fare	x \$1.07*	x \$1.24*
	-----	-----
Total (rounded)	\$10,450,100	\$ 400,000

*The \$10.450 million in Fixed Route fares is in net of any anticipated decrease in fares due to the fare modification for our fixed route service and Dart pass service. In addition, Agency revenues are anticipated to be \$115,000 for FY2021.

OTHER REVENUE SOURCES:

Interest Revenue:

SMART invests surplus funds in a manner which will provide the highest investment return with the maximum security while meeting daily cash flow needs of the Authority. In addition, the investment of all Authority surplus funds complies with all State statutes governing the investment of public funds. For FY2021, it is anticipated that interest revenues will increase to \$1.710 million as compared to \$1,650,000 for FY2020.

The \$1.710 million is based upon a 1.15% investment rate of return on all SMART investment vehicles which include the two new investment vehicles that SMART staff implemented in FY 2019 and an anticipated decline of interest rates for FY2020 due to the national economy.

Advertising Revenue:

SMART entered into a revenue contract for advertising on fixed route buses, effective September 2019. A minimum monthly guaranteed payment of \$50,000 or 60% of net revenues, whichever is greater, is paid to SMART each month of the contract term resulting in a minimum of \$600,000 per contract year. Based on current market conditions, vendor performance, and historical revenue trends, FY2021 budgeted advertising revenue has been increased by \$150,000 over FY2020 to \$750,000.

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
EXPENSE ASSUMPTIONS**

EMPLOYMENT COSTS

Salaries Expense:

Non-represented employees

Wages Expense:

All SMART labor contracts expired December 31, 2018; Currently, the following unions are in negotiation.

- ATU - Fixed Route Operators
- ATU - Clerical employees
- UAW - Maintenance employees

The following contracts expire December 31, 2022.

- AFSCME - Dispatchers, Road Supervisors, and Maintenance Supervisors
- Teamsters - Connector Operators and Customer Service Operators

Employee Benefits:

	<u>BASE MAX.</u>	<u>RATE</u>
Medicare -	Unlimited	1.45 %
Social Security	\$ 137,700	6.20 %
Dental	2.0 %	Increase over actual rates
Hospitalization:		
Active Employee	7.0 %	Increase over actual rates, with employee premium co-pay of 11%-20%
Retirees	6.1 %	Increase over actual rates, with new retirees premium co-pay
Life Insurance	2.0 %	Increase over actual rates
Optical	0.0 %	Increase over actual rates
Sick & Accident	2.0 %	Increase over actual rates

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY 2021 OPERATING BUDGET
EXPENSE ASSUMPTIONS**

PENSIONS AND OTHER POST EMPLOYMENT BENEFITS:

SMART has agreed in all its locally bargained labor agreements, as well as with its non-union employee group, to utilize the Michigan Employees Retirement System (MERS) to administer its defined benefit retirement program, the employer contribution retiree health funding vehicle and defined contribution retiree health care program. Administration includes accounting for and safekeeping of assets, investing said assets, administering monthly pension benefits and accounting for all retiree health care transactions for those eligible employees/retirees. Other services that MERS delivers to SMART are the annual SMART retiree system actuarial report. From this annual actuarial report, SMART determines its minimum annual employer retirement system contribution net of employee contributions of 4.5%.

The minimum required employer pension contribution for FY2021, as calculated by the MERS actuary is approximately \$8.212 million based on an anticipated 7.75% return on investment and a phase in schedule. However, this amount does not anticipate SMART wage increases through the bargaining process. Therefore, we have increased our minimum contribution to MERS due to the bargaining process to \$9.175 million. (7.35% return on investment) With the addition of the FAST program and the adding of eighty (80) new positions we are recommending an additional \$4.45 million in pension contribution. As of 6/30/2019, the SMART net pension liability is \$74.4 million. It is estimated that the additional \$4.45 million will increase pension funding levels from 71% to 74%.

SMART has obtained the services of an independent actuary to calculate the other post employment benefit (OPEB) annual actuarial determined contribution or ADC. When SMART operating funds are available, SMART will make the OPEB ADC payments to the Retiree Health Funding Vehicle Trust over a twelve month period. In March 2018, the SMART Board committed a minimum \$4.1 million annual ARC payment subject to final Board approval to assist in funding the SMART OPEB liability.

The recommended appropriated annual required contribution that SMART is proposing for the FY2021 budget to the MERS OPEB Trust is \$7.450 million plus an additional \$8.0 million in estimated retiree health care payments. The 6/30/2019 net OPEB liability is \$119.5 million. It is estimated that the \$7.450 million contribution will raise funding levels from 34% to 38% which almost meets the PA 202 funding requirements for OPEB which is 40%.

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
EXPENSE ASSUMPTIONS**

DIRECT VEHICLE COSTS

Diesel Fuel:

	<u>Fixed Route</u>
Cost per gallon	\$2.08
Gallons	2,763,179

Propane Fuel:

	<u>Connector</u>
Cost per gallon	\$0.87
Gallons	661,036

Connector Fuel: 100% propane fuel

Gasoline:

	<u>Service Vehicle/Other</u>
Cost per gallon	\$1.94
Gallons	56,752

Vehicle Insurance (Liability): Budgeted at .20 cents per mile based upon current experience.

Repair Parts:

	<u>Fixed Route</u>	<u>Connector</u>
Cost per mile	\$.21	\$.13

Based upon a weighted average cost per mile for various classes of buses in the SMART fleet.

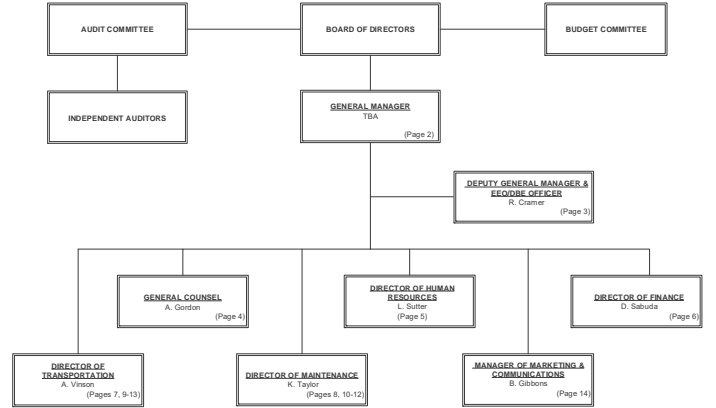
INDIRECT (VARIABLE) VEHICLE COSTS, FACILITIES EXPENSE, ADMINISTRATIVE EXPENSES

Based on a combination of historical spending patterns, trend analysis, contract rates, and current cost containment initiatives.

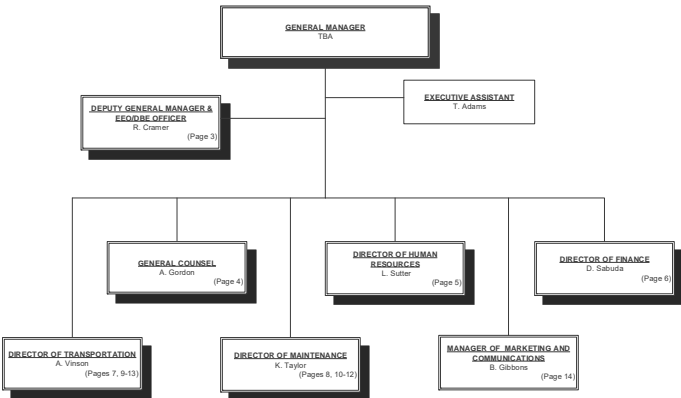
STAFFING REVIEW CHANGE FROM FY2020 TO FY2021				
HEADCOUNT REPORT	FY2020 Bound Budget	FY2021 Proposed Budget	FY2021 Budget Change (+/-)	Description Of Change
ATU (Fixed Route - 429 Full Time and 2 Part Time Drivers)	431	431		No Change
ATU CLERICAL (Clerical Support Personnel)	23	23		No Change
TEAMSTERS (Connector - 133 Full Time and 2 Part Time Drivers)	135	135		No Change
TEAMSTERS CLERICAL (15 Full Time and 7 Part Time CSO's)	21	22	1	Added one Part time CSO 1 Position.
AFS-CME	58	58		Eliminated three PM Dispatchers's Position, one at Each Terminal. Added two Road Supervisor's Position, one at Central and Oakland. Added one Central Dispatcher Position.
UAW (Maintenance - 148 Full Time and 3 Part Time Maintenance)	151	151		No Change
NONREPRESENTED (105 Full Time and 5 Part Time Non Represented)	109	110	1	Added one Community Mobility Program Manager Position. Upgraded a Part time Planner Position to a Full time Planner Position.
Authority Total	928	930	2	



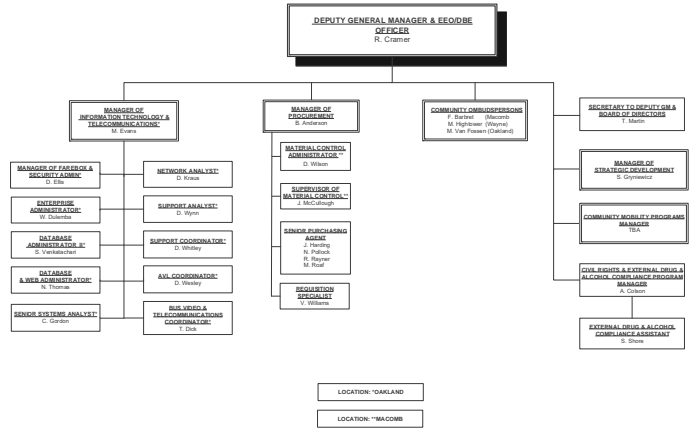
FINAL FY-2021 BUDGET ORGANIZATION CHART



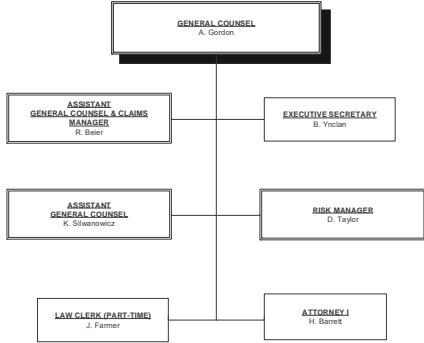
GENERAL MANAGER



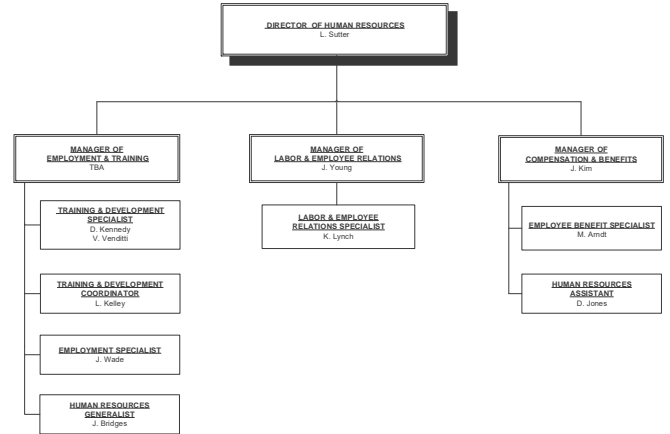
DEPUTY GENERAL MANAGER



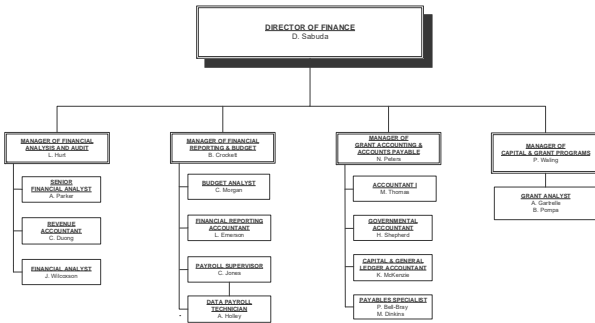
GENERAL COUNSEL



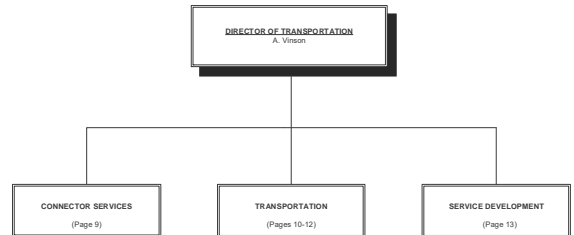
HUMAN RESOURCES



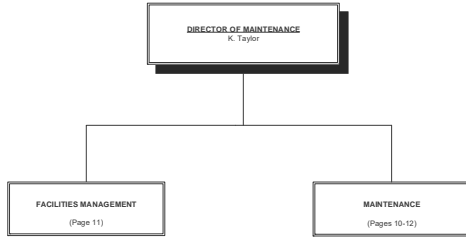
FINANCE



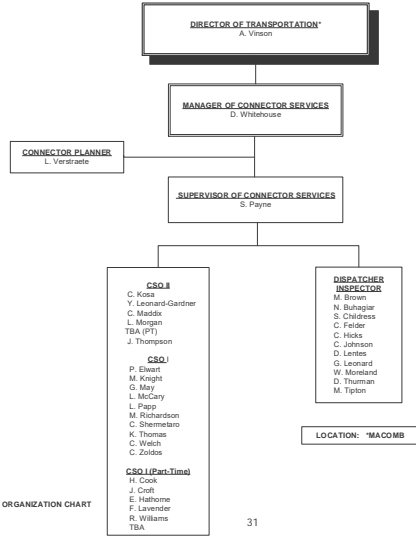
TRANSPORTATION



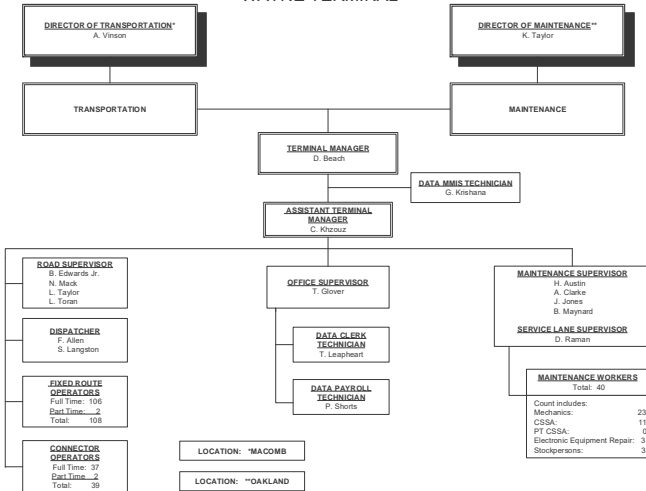
MAINTENANCE



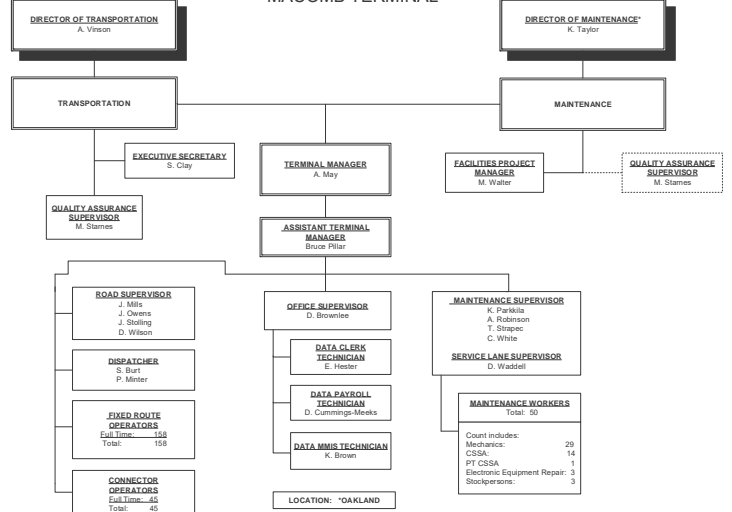
CONNECTOR SERVICES



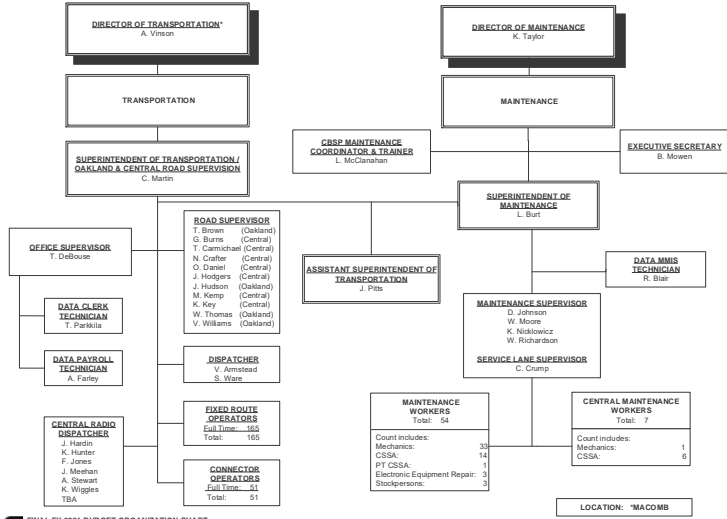
WAYNE TERMINAL



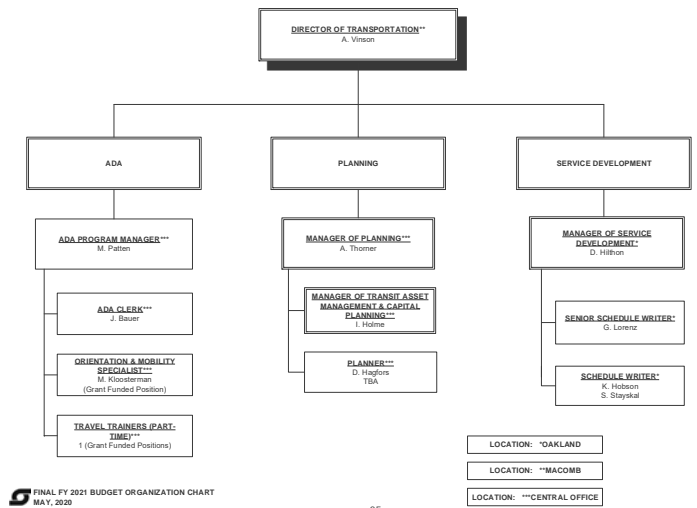
MACOMB TERMINAL



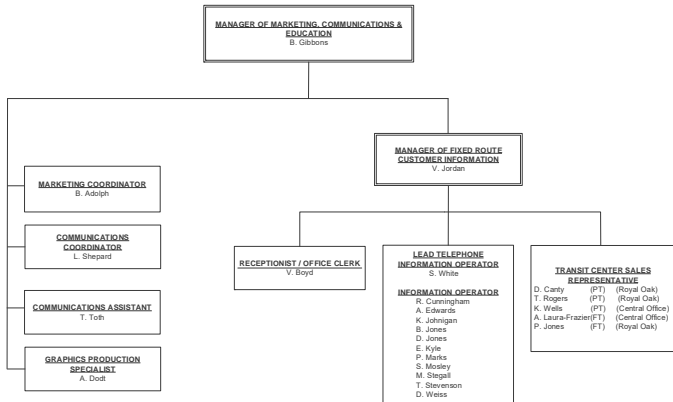
OAKLAND TERMINAL



SERVICE DEVELOPMENT



MARKETING AND COMMUNICATIONS



FUNCTIONAL REVIEW

- 10) Fixed Route Revenues & Expenses
- 11) Connector Route Revenues & Expenses
- 12) General Administrative Expenses



OCPTA Agreement - EXHIBITS

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
SCHEDULE OF REVENUE AND EXPENSE
FIXED ROUTE

	FY2020 BUDGET	FY2021 BUDGET	FAV(UNFAV)
REVENUE			
FAREBOX	\$ 11,995,800	\$ 10,450,100	\$(1,545,700)
ADVERTISING	600,000	750,000	150,000
RENTAL INCOME	65,000	65,000	-
OTHER	4,600	4,600	-
TOTAL REVENUE	12,664,800	11,269,100	(1,395,700)
EXPENSES			
TRANSIT OPERATIONS			
SALARIES	2,523,000	2,844,500	(321,500)
HOURLY WAGES	22,427,100	24,024,200	(1,597,100)
FUEL, LUBRICANTS & COOLANTS	6,814,000	6,256,100	557,900
TIRES	767,000	852,000	(85,000)
VEHICLE INSURANCE	6,146,400	5,820,100	326,300
RADIO TOWER	-	-	-
TOTAL	38,680,500	39,796,900	(1,116,400)
GENERAL ADMINISTRATION			
SALARIES	884,200	1,076,300	(192,100)
GENERAL SUPPLIES	154,300	896,000	(541,700)
PROFESSIONAL FEES	59,000	87,000	(28,000)
TOTAL	1,097,500	1,829,300	(731,800)
FARE COLLECTION			
FARE COLLECTION COSTS	606,500	596,000	10,500
TOTAL	606,500	596,000	10,500
SUB-TOTAL TRANSIT OPERATIONS	40,388,500	42,222,700	(1,834,200)
VEHICLE MAINTENANCE			
SALARIES	1,075,400	1,289,600	(214,200)
HOURLY WAGES	8,564,500	8,954,200	(389,700)
REPAIR PARTS	2,750,000	3,000,000	(250,000)
CONTRACT MAINT.	763,200	997,100	(233,900)
TOWING	189,000	169,000	20,000
TOTAL	13,338,100	14,501,500	(1,163,400)
BLDG & GROUNDS			
UTILITIES/INSURANCE	927,800	1,095,400	(167,600)
CONTRACT MAINTENANCE	717,000	727,500	(10,500)
ROUTE FACILITIES MAINTENANCE	173,000	188,300	(15,300)
OTHER BLDG MAINTENANCE	556,500	55,100	501,400
TOTAL	2,374,300	2,066,300	308,000
SUB-TOTAL MAINTENANCE	15,712,400	16,567,800	(855,400)
EMPLOYEE BENEFITS AND RETIREES BENEFITS			
VEHICLE PURCHASE EXPENSE	38,242,500	38,485,900	(243,400)
ELIGIBLE BUS DEPRECIATION	1,775,000	1,800,000	(25,000)
TOTAL FIXED ROUTE EXPENSES	96,112,400	99,510,400	(3,398,000)
REVENUE OVER/(UNDER) EXPENSE	\$(83,447,600)	\$(88,241,300)	\$(4,793,700)

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
SCHEDULE OF REVENUE AND EXPENSE
CONNECTOR

	FY2020 BUDGET	FY2021 BUDGET	FAV(UNFAV)
REVENUES			
FAREBOX	\$ 465,000	\$ 680,000	215,000
AGENCY	154,200	115,000	(39,200)
TOTAL REVENUE	619,200	795,000	175,800
EXPENSES			
TRANSIT OPERATIONS			
SALARIES	596,400	570,400	(26,000)
HOURLY WAGES	5,520,300	6,352,200	(831,900)
FUEL, LUBRICANTS & COOLANTS	950,000	575,000	375,000
TIRES	82,000	101,000	(19,000)
VEHICLE INSURANCE	1,582,700	1,513,600	69,100
TOTAL	8,651,400	9,112,200	(460,800)
CUSTOMER SERVICE OPERATIONS			
SALARIES	718,200	678,400	39,800
FARE COLLECTION COSTS	14,000	16,000	(2,000)
TOTAL	732,200	694,400	37,800
GENERAL ADMINISTRATION			
SALARIES	197,300	200,700	(3,400)
CONSULTANTS	-	325,000	325,000
OTHER	197,300	534,300	(337,000)
TOTAL	394,600	860,000	(465,400)
SUB-TOTAL GENERAL ADMIN.	9,580,900	10,340,900	(760,000)
MAINTENANCE			
REPAIR PARTS	570,000	530,000	40,000
CONTRACT MAINT	50,000	50,000	-
OTHER	40,000	26,000	14,000
TOTAL	660,000	606,000	54,000
BLDG & GROUNDS			
UTILITIES & INSURANCE	34,100	38,400	(4,300)
OTHER	17,800	19,700	(1,900)
TOTAL	51,900	58,100	(6,200)
SUB-TOTAL MAINTENANCE	711,900	664,100	47,800
EMPLOYEE BENEFITS & TAXES	4,382,200	5,008,300	(626,100)
TOTAL CONNECTOR EXPENSE	14,655,000	16,013,300	(1,358,300)
REVENUE OVER/(UNDER) EXPENSE	\$(14,035,800)	\$(15,218,300)	\$(1,182,500)

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
GENERAL ADMINISTRATION

	DEPARTMENTS								FY2021 TOTAL	FY2020 TOTAL	\$ Variance FAV(UNFAV)	
	GENERAL MANAGER	ADMIN SERVICES	GENERAL COUNSEL	GENERAL EXPENSES	FINANCE	HUMAN RESOURCES	MARKETING & COMM	OPERATIONS ADMIN.				SERVICE DEVELOPMENT
EXPENSES												
SALARIES	\$ 299,500	\$ 1,728,100	\$ 496,900		\$ 1,197,900	\$ 828,200	\$ 938,300	\$ 513,000	\$ 724,600	\$ 6,686,500	\$ 6,484,800	\$(201,700)
EMPLOYEE BENEFITS	90,100	1,026,800	315,200		855,500	540,300	855,700	315,200	540,400	4,548,200	3,213,900	(1,234,300)
SUPPLIES	2,200	38,800	9,400	\$ 82,900	5,800	23,000	208,300	700	49,500	426,600	408,000	(18,600)
CONSULTANTS					4,000	80,800			50,000	134,800	811,600	676,800
COMPUTER SERVICES		744,800								744,800	382,400	(362,400)
OUTSIDE SERVICES	10,000				500	234,100	151,500	2,000		1,233,000	1,252,500	19,600
TRAVEL & MEETINGS	9,800	26,000	300,000	534,900	1,100	2,000	6,700	5,300		60,800	62,000	1,200
TRAVEL - FUNDED & UWP	8,000				2,700			2,100		12,800	18,400	5,600
TRAVEL & TRAINING EXP	2,000	21,200	5,600	5,500	6,700	35,500	15,500	11,100	12,800	115,900	66,600	(49,300)
PRINTING & ADVERTISING	16,000	15,000				135,000	378,000			544,000	687,000	143,000
OTHER EXPENSES	3,700	129,000	1,800	36,500	5,300	400	418,000	11,000		605,700	111,500	(494,200)
UTILITIES & RENT	2,600	6,300	2,100	640,200	2,000	2,000	2,200	2,500	1,800	561,700	561,700	-
SUBTOTAL	385,900	3,773,000	1,131,000	1,200,000	2,081,500	1,881,800	2,974,200	845,800	1,392,200	15,669,400	14,360,500	(1,308,900)
POST/MAIL OR ADM FEES											(206,700)	(206,700)
TOTAL EXPENSES	\$ 385,900	\$ 3,773,000	\$ 1,131,000	\$ 1,200,000	\$ 2,081,500	\$ 1,881,800	\$ 2,974,200	\$ 845,800	\$ 1,392,200	\$ 15,669,400	\$ 14,153,800	\$(1,515,600)



COMMUNITY PROGRAM REVIEW

- 13) Municipal Credits (MC)
- 14) Community Credits (CPP)
- 15) Purchase of Service (POS) Programs



SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
MUNICIPAL CREDITS PROGRAM

MACOMB COUNTY			BIRMINGHAM			OXFORD TWP			17,680			GROSSE POINTE PARK			11,960		
ARMADA TWP	\$	1,800	BLOOMFIELD TWP	4,000	PLEASANT RIDGE	2,600	GROSSE POINTE SHORES (*)	3,120									
BRUCE TWP	7,080		BRANDON TWP	14,200	ROCHESTER	13,160	HAMTRAC	23,200									
CENTER LINE	6,560		CLARKSTON	920	ROCHESTER HILLS	73,480	HARPER WOODS	14,720									
CHESTERFIELD TWP	44,520		CLAWSON	12,240	ROSE TWP	6,480	HIGHLAND PARK	12,200									
CLINTON TWP	100,200		COMMERCE TWP	37,120	ROYAL OAK	59,240	HURON TWP	16,440									
EASTPOINTE	33,600		FARMINGTON	10,720	ROYAL OAK TWP	2,520	INKSTER (*)	26,280									
FRASER	15,000		FARMINGTON HILLS	82,600	SOUTHFIELD	74,280	LINCOLN PARK	39,480									
HARRISON TWP	25,440		FERNDALE	20,600	SOUTH LYON	11,720	LIVONIA	100,360									
LENOX TWP	6,040		FRANKLIN	3,280	SPRINGFIELD TWP	14,440	MELVINDALE	11,080									
MACOMB TWP	82,400		GROVELAND TWP	5,880	SYLVAN LAKE	1,900	NORTHVILLE (**)	6,200									
MEMPHIS	840		HAZEL PARK	17,000	TROY	83,840	NORTHVILLE TWP	29,520									
MT. CLEMENS	16,880		HIGHLAND TWP	19,880	WALLED LAKE	7,240	PLYMOUTH	9,440									
NEW BALTIMORE	12,520		HOLLY	6,320	WATERFORD TWP	74,240	PLYMOUTH TWP	28,480									
NEW HAVEN	4,800		HUNTING WOODS	5,480	W. BLOOMFIELD TWP	66,960	REDFORD TWP	50,080									
RAY TWP	3,880		HUNTINGTON WOODS	6,440	WHITE LAKE TWP	31,080	RIVER ROUGE	9,200									
RICHMOND	5,960		INDEPENDENCE TWP	35,920	WIXOM	13,960	RIVERVIEW	12,920									
RICHMOND TWP	3,800		KEEOG HARBOR	3,080	WOLVERINE LAKE	4,480	ROCKWOOD	3,400									
ROSEVILLE	48,960		LAKE ORION	3,080	TOTAL - OAKLAND	\$ 1,241,320	ROMULUS	24,840									
SHELBY TWP	76,400		LATHRUP VILLAGE	4,200	WAYNE COUNTY				SUMPTER TWP	9,880							
STERLING HEIGHTS	134,280		LEONARD	400	ALLEN PARK	\$ 29,200	TAYLOR	65,360									
ST. CLAIR SHORES	61,800		LYON TWP	15,040	BELLEVILLE	4,120	TRENTON	19,520									
UTICA	4,920		MADISON HEIGHTS	30,720	BROWNSTOWN TWP	31,720	VAN BUREN TWP	29,840									
WARREN	138,760		MILFORD	6,400	CANTON TWP(*)	93,360	WAYNE (*)	16,200									
WASHINGTON TWP	24,200		MILFORD TWP	9,880	DEARBORN	101,600	WESTLAND (*)	87,080									
TOTAL - MACOMB	\$ 870,520		NOVI	57,160	DEARBORN HEIGHTS	59,800	WOODHAVEN	13,320									
			NOVI TWP	160	ECORSE	9,840	WYANDOTTE	26,800									
			OAKLAND COUNTY	17,360	FLAT ROCK	10,240	TOTAL - WAYNE	\$ 1,149,240									
			ADDSON TWP	\$ 6,160	GARDEN CITY (*)	28,980	GRAND TOTAL	\$ 3,261,080									
			AUBURN HILLS	22,160	GARFIELD LAKE	2,440											
			BERKLEY	15,480	ORION TWP	33,560											
			BEVERLY HILLS	10,640	ORTONVILLE	1,480											
			BINGHAM FARMS	1,160	OXFORD	3,560											

(*) Includes Macomb Portion
(**) Includes Oakland Portion
(*) Communities make up Nankin Transit

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY2021 OPERATING BUDGET
COMMUNITY CREDITS PROGRAM

MACOMB COUNTY		OAKLAND COUNTY		WAYNE COUNTY	
ARMADA	\$ 4,144	AUBURN HILLS	\$ 29,926	ALLEN PARK	\$ 47,038
ARMADA TWP	\$ 9,551	BERKLEY	\$ 25,336	DEARBORN	\$ 147,784
BRUCE TWP	\$ 16,632	BEVERLY HILLS	\$ 1,548	DEARBORN HEIGHTS	\$ 92,475
CENTER LINE	\$ 14,386	BINGHAM FARMS	\$ 30,416	ECORSE	\$ 18,272
CHESTERFIELD TWP	\$ 59,552	BIRMINGHAM	\$ 65,750	GARDEN CITY ^	\$ 48,158
CLINTON TWP	\$ 152,283	BLOOMFIELD TWP	\$ 20,737	GROSSE POINTE	\$ 8,762
EASTPOINTE	\$ 56,661	CLAWSON	\$ 15,365	GROSSE POINTE FARMS	\$ 15,365
FRASER	\$ 24,353	FARMINGTON	\$ 15,763	GROSSE POINTE PARK	\$ 19,615
HARRISON TWP	\$ 80,004	FARMINGTON HILLS	\$ 123,907	GROSSE POINTE SHORES ^	\$ 4,567
LENOX TWP	\$ 13,944	FERNDALE	\$ 36,997	GROSSE POINTE WOODS	\$ 26,990
MACOMB TWP	\$ 131,272	FRANKLIN	\$ 4,421	HAMTRAC	\$ 34,728
MEMPHIS	\$ 2,339	HAZEL PARK	\$ 30,288	HARPER WOODS	\$ 22,645
MT. CLEMENS	\$ 29,285	HUNTINGTON WOODS	\$ 9,733	HIGHLAND PARK	\$ 29,188
NEW BALTIMORE	\$ 19,256	LATHRUP VILLAGE	\$ 4,799	INKSTER ^	\$ 47,131
NEW HAVEN	\$ 7,894	MADISON HEIGHTS	\$ 49,001	LINCOLN PARK	\$ 63,552
RAY TWP	\$ 9,727	OAK PARK	\$ 46,562	MELVINDALE	\$ 17,043
RICHMOND	\$ 12,734	PLEASANT RIDGE	\$ 4,167	REDFORD TWP	\$ 82,411
RICHMOND TWP	\$ 8,887	PONTIAC	\$ 106,995	RIVER ROUGE	\$ 16,686
ROMEO	\$ 9,674	ROYAL OAK	\$ 97,835	RIVERVIEW	\$ 21,098
ROSEVILLE	\$ 81,671	ROYAL OAK TWP	\$ 8,207	ROMULUS	\$ 35,383
SHELBY TWP	\$ 169,454	SOUTHFIELD	\$ 118,152	SOUTHGATE	\$ 82,411
STERLING HEIGHTS	\$ 198,170	TROY	\$ 122,169	TAYLOR	\$ 106,554
ST. CLAIR SHORES	\$ 107,804	WALLED LAKE	\$ 150,411	TRENTON	\$ 31,217
UTICA	\$ 7,968	W. BLOOMFIELD TWP	\$ 97,873	WAYNE ^	\$ 30,241
WARREN	\$ 231,661	TOTAL - OAKLAND	\$ 1,217,269	WESTLAND ^	\$ 131,807
WASHINGTON TWP	\$ 44,526	TOTAL - MACOMB	\$ 1,503,922	WYANDOTTE	\$ 45,123
		TOTAL - WAYNE	\$ 1,192,092	GRAND TOTAL	\$ 3,913,193

^ INCLUDES MACOMB PORTION
^ COMMUNITIES MAKE UP NANKIN TRANSIT

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY 2021 OPERATING BUDGET
PURCHASE OF SERVICE COMMUNITY TRANSIT PROGRAM

Source Of Funds-->	LOCAL	STATE	LOCAL	FEDERAL	FEDERAL	STATE	TOTAL		
	COMMUNITY CREDITS +	MUNICIPAL CREDITS	TRI-COUNTY POS OPERATING ASSISTANCE +	SECTION 5307	SECTION 5311 (Non Urban)*	ACT 51*	FY 2021 OPERATING ASSISTANCE	FY 2020 OPERATING ASSISTANCE	INCREASE (DECREASE)

TRI-COUNTY									
REDFORD	\$82,000	\$ 50,100	\$ -				\$ 132,100	\$ 129,100	\$ 3,000
NANKIN ^	257,000	253,600	328,000				838,600	720,800	117,800
MT CLEMENS	29,000	16,900					45,900	45,000	900
TOTAL	\$ 368,000	\$ 320,600	\$ 328,000				\$ 1,016,600	\$ 894,900	\$ 121,700
OUTER-COUNTY									
MONROE			\$ -	\$ 160,000	\$ 528,000		\$ 688,000	\$ 424,300	\$ 263,700
REDFORD				558,000	85,000	1,255,000	1,878,000	1,750,700	127,300
LAKE ERIE									
TOTAL				\$ 558,000	\$ 225,000	\$ 1,911,000	\$ 2,694,000	\$ 2,300,000	\$ 394,000

*Note (1): Final funding amounts not available from MDOT & FTA at time of budget
*Note (2): Nankin Transit is made up of the communities; Canton, Garden City, Inkster, Wayne & Westland
*Note (3): Community Credits/Operating Assistance includes a 1.90% increase
*Note (4): Tri-County POS & Community Credits are unrestricted revenues



SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FISCAL YEARS 2021 TO 2025 CAPITAL BUDGET

ITEM	PAGE
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PRIOR YEARS CARRY-OVER DETAIL	48-51
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OCPTA Agreement - EXHIBITS

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION FISCAL YEARS 2021 to 2025 CAPITAL BUDGET

INTRODUCTION

The FY 2021-FY 2025 capital budget was developed in accordance with the provisions of State Act 204 and Act 51, which require that the Authority submit an annual capital budget as part of a five-year capital program projection. In May 2020, the FY 2021 State Annual Application Program will be presented to the SMART Board of Directors for approval. This program has been incorporated into the five-year capital projection, with appropriate modifications reflecting any changes in funding assumptions and/or project costs.

The five-year program presented herein has been developed based on the following assumptions:

- Under Federal FAST Act legislation SMART staff has requested federal funding for Fiscal Years (2021-2025) based on SEMCOG targets with an annual increase of 2% for FY's 2024 & 2025 for the Federal Transportation Administration's (FTA's) 5307 and 5339 formula funding programs for SMART and Monroe. SMART's 5307 and 5339 funding reflects the July 20, 2017 RTA's reallocated funding split between SMART and DDOT. This budget assumes the approved split will continue. The split for 5307 and 5339 is 50.0% SMART and 50.0% DDOT. This projection uses SEMCOG's funding targets; however, fluctuations in regional population, ridership, and service levels at both SMART and DDOT have additional impacts on funding formulas.
- On December 4, 2015 Fixing America's Surface Transportation (FAST) Act reauthorizing surface transportation programs through Fiscal Year 2020 was signed. There are no FTA Discretionary funds shown in this budget, however, FAST Act re-establishes a Bus Discretionary Program and adds an Access and Mobility pilot program for efforts to improve the coordination of transportation services that link with non-emergency medical care. SMART may apply for these discretionary grants and other major grants as opportunities arise. In this application SMART applied for Service Development and New Technology (SDNT) funding administered by MDOT.
- The Monroe Governor's Apportionment projects are both capital and operating funding. The capital and operating funding is reflected in the attached "Five-Year Capital Budget Summary". The operating is listed for reference (but not factored into the capital budget sum) in the Capital Plan, and is included in SMART's operating budget.
- The Congestion Mitigation Air Quality (CMAQ) funding levels for SMART and LETC reflect approved SEMCOG FY's 2021-2023 projects; while FY's 2024-2025 are anticipated applications.
- The 5310 Program, which now requires project funding requests to the Regional Transit Authority, reflects SMART's awarded projects for FY's 2018 & 2019 in the "FY 2020 pending award 09/30/20" column of the five-year Capital Budget Summary and anticipated requests for funding for FY 2021-25. SMART will continue to request the maximum funding available, but the funding award may go down depending on the request levels of other agencies in the region.
- There are no Detroit UZA JARC or New Freedom funds shown in this budget due to the elimination of dedicated Sections 5316 and 5317. NOTAs continues to receive Non-Urban JARC and New Freedom funds from MDOT. An application has been submitted to MDOT for FY 2021 Nonurban New Freedom and JARC funds for NOTA. New Freedom urban activities are now funded as part of SMART's Section 5310 anticipated requests.
- Per MDOT, capital line items reflect a 20% State match.

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION FISCAL YEARS 2021 to 2025 CAPITAL BUDGET NEEDS BASED ON ELIGIBILITY AND FUNDING FIVE-YEAR CAPITAL BUDGET SUMMARY (000 OMITTED)

CARRY OVER	FY 2020 (pending award)		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
	09/30/2020							
5307 Formula (SMART & Monroe) & 5307 LETC Governor's Apportionment*	\$43,836	\$30,522	\$31,021	\$31,974	\$32,977	\$32,503	\$33,195	\$236,028
5339 Formula (SMART & Monroe) & 5339 LETC Governor's Apportionment	4,829	3,586	2,911	2,995	3,082	3,943	4,022	25,368
5339 Low-No Discretionary		887						887
Service Development and New Technology (SDNT)	0	0	400	0	0	0	0	400
CMAQ (SMART & Monroe)*	1,197	878	4,185	5,352	2,187	0	0	13,799
5310 (SMART & Monroe)**	4,466	3,546	2,750	2,750	2,750	2,750	2,750	21,762
5310 Monroe**	67	60	0	0	79	0	0	206
New Freedom-Non Urban (NOTA)*	0	218	372	218	218	218	218	1,462
JARC-Urban	589	0	0	0	0	0	0	589
New Freedom-Urban*	29	0	0	0	0	0	0	29
JARC-Non Urban- NOTA	5	241	472	279	215	241	201	1,654
TOTAL	\$55,018	\$39,938	\$42,111	\$43,568	\$41,508	\$39,655	\$40,386	\$302,184

Assumptions:
 Future Fiscal Years (2021 - 2025) federal formula funding based Semcog targets with an annual increase of 2% for FY24 & 25.
 Funding Levels Assume 50.0% SMART / 50.0% DDOT Formula Funding Split for 5307 & 5339
 Capital projects reflect a 20% MDOT match for capital and 50% local match for 5307 Gov Appt and 5310New Freedom Operating, and 20% local match for 2018-2020 CMAQ.
 FY 2021-2022 CMAQ Projects approved by SEMCOG. 2024-2025 are anticipated applications based on application history.
 SMART 5310 Projects Assume RTA Award of Requested Projects.
 * SMART's 5307 Preventative Maintenance, LETC Governor's Apportionment, SMART 5310, CMAQ, New Freedom-Urban, New Freedom-Non Urban (NOTA) & JARC-Non Urban all include some amount of operating assistance in their summary figures.
 ** 5310 applications for Monroe Non-Urban agencies are processed thru MDOT; they are not part of Detroit UZA.

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION FISCAL YEARS 2021 to 2025 CAPITAL BUDGET NEEDS BASED ON ELIGIBILITY

PRIOR YEARS CARRY-OVER SUMMARY (000 OMITTED)

FISCAL YEAR	GRANT NO.	TOTAL	FUNDING
2011/2012	MI-37-X050	\$589	5316-JARC-Urban
2011/2012	MI-57-X024	29	5317-New Freedom-Urban
2013-2015	MI-90-X678	782	5307
2013-2014	MI-16-X007	462	5310
2014/2015/2016	MI-2018-018-00	841	5310
2015/2016/2017	MI-2016-025-00	10,972	5307
2016/2017	MI-2016-025-00	13	5339
2017/2018	MI-2018-020-00	3,163	5310
2018/2019	MI-2018-018-00	32,082	5307
2018/2019	MI-2018-018-00	4,816	5339
2018/2019	MI-2018-018-00	1,197	CMAQ
2019	2017-0130 P10	5	5311- Non Urban NOTA
2019	2017-0130 PXX	67	5310-Non Urban Monroe
TOTAL		\$55,018	

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION FISCAL YEARS 2021 to 2025 CAPITAL BUDGET		PRIOR YEARS CARRY-OVER (000 OMITTED)					TOTAL
PROJECT NUMBER	PROJECT DESCRIPTION	5316 MI-37-0050	5317 MI-57-0024	5307's MI-90-0678	5310 MI-16-0007		
36590	Buy Replacement Van for NOTA	81				81	
36600	Buy 2018 Buses for Replacement (3)	74				74	
70461-70470	Mobility Management Sub- recipients	43				43	
70470-70480	Operating Assistance Sub-recipients (CMAQ)	613				613	
70480	Program Administration			613		613	
70480-70490	Mobility Management Sub- CMAQ recipient			18		18	
	SMART						
36350	Operational Training City of Troy			420		420	
36350	Quality Improvement(1 % Security Requirement)			19		19	
36420	FY 2014 Light Buses			4		4	
36420	FY 2014 & 2015 - Bus Stop Enhancements 1% Enhancement Requirement			3		3	
36440	FY 2014 & 2015 - Bus Stop Enhancements 1% Enhancement Requirement			180		180	
36500	FY 2014 Acquire Security Equip- 1% Security requirement			10		10	
36544	FY 2014 Purchase Vehicle Light System Parts			180		180	
	LETC Gov Appt (CMAQ & Vehicle Appt)						
36455	FY 2014 Buy Spain Parts ETC			1		1	
36470	Buy Stop-207 PM Hybrid Bus			0		0	
	5310 Sub-Recipients						
36700	Bus Replacement - 2017 Bus				511	511	
36760	Shop Equipment				1	1	
36760	Shop Equipment				0	0	
36780	ADP Software				6	6	
36790	Misc. Support Equipment				12	12	
36805	Preventive Maintenance				3	3	
	5310 SMART						
36870	Mobility Management				420	420	
TOTAL		\$58	\$29	\$785	\$462	\$1,834	

OCPTA Agreement - EXHIBITS



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/21/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 22930 Nine Mile Road Saint Clair Shores MI 48080	CONTACT Name: Michelle Storey Phone: 517-664-2737 Fax: 517-664-2768 E-MAIL: Michelle_Storey@aig.com ADDRESS:
INSURER(S) AFFORDING COVERAGE	
INSURER A: Safety National Casualty Corporation	NAIC #: 15105
INSURER B: American Alternative Insurance Corp	NAIC #: 19720
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

5 Year Capital Plan FY21-25
SMART/Morris/OCPTA

Description	2021			2022			2023			2024			2025		
	Federal	State/Local	Total	Federal	State/Local	Total	Federal	State/Local	Total	Federal	State/Local	Total	Federal	State/Local	Total
SMART															
SMART 5310 Funding ex:															
5310 Capital Projects (vehicles, facilities)	500,288	125,072	625,360	500,288	125,072	625,360	500,288	125,072	625,360	500,288	125,072	625,360	500,288	125,072	625,360
5310 Facility Management	400,000	100,000	500,000	400,000	100,000	500,000	400,000	100,000	500,000	400,000	100,000	500,000	400,000	100,000	500,000
a. NF Operating Maintenance (W/over Budget)	470,000	117,500	587,500	470,000	117,500	587,500	470,000	117,500	587,500	470,000	117,500	587,500	470,000	117,500	587,500
b. Non-Transportation Maintenance	30,000	0	30,000	30,000	0	30,000	30,000	0	30,000	30,000	0	30,000	30,000	0	30,000
Morris															
Purchase Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Substate Morrie	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OCPTA															
a. Operating NF Operating (W/over Budget)	416,000	104,000	520,000	416,000	104,000	520,000	416,000	104,000	520,000	416,000	104,000	520,000	416,000	104,000	520,000
Subtotal OCPTA	416,000	104,000	520,000	416,000	104,000	520,000	416,000	104,000	520,000	416,000	104,000	520,000	416,000	104,000	520,000
Total 5310 Capital Funding	916,288	229,072	1,145,360	916,288	229,072	1,145,360	916,288	229,072	1,145,360	916,288	229,072	1,145,360	916,288	229,072	1,145,360
OCPTA															
Total OCPTA Funding	520,000	130,000	650,000	520,000	130,000	650,000	520,000	130,000	650,000	520,000	130,000	650,000	520,000	130,000	650,000
Grand Total SMART Morris & OCPTA	30,200,304	7,602,336	37,802,640	30,200,304	7,602,336	37,802,640	30,200,304	7,602,336	37,802,640	30,200,304	7,602,336	37,802,640	30,200,304	7,602,336	37,802,640
Operating & Service Expansion															
a. Operating (W/over Operating Budget)	950,225	237,525	1,187,750	950,225	237,525	1,187,750	950,225	237,525	1,187,750	950,225	237,525	1,187,750	950,225	237,525	1,187,750
b. NF Operating Maintenance (W/over Budget)	750,000	187,500	937,500	750,000	187,500	937,500	750,000	187,500	937,500	750,000	187,500	937,500	750,000	187,500	937,500
c. Nontransport NF Operating (W/over Budget)	180,200	45,050	225,250	180,200	45,050	225,250	180,200	45,050	225,250	180,200	45,050	225,250	180,200	45,050	225,250
d. Nontransport JARC Operating (W/over Budget)	100,000	25,000	125,000	100,000	25,000	125,000	100,000	25,000	125,000	100,000	25,000	125,000	100,000	25,000	125,000
Total Operating & Service Expansion	2,070,225	525,075	2,595,300	2,070,225	525,075	2,595,300	2,070,225	525,075	2,595,300	2,070,225	525,075	2,595,300	2,070,225	525,075	2,595,300
Grand Total Including Opr & Svc Expansion	32,170,529	8,127,411	40,297,940	32,170,529	8,127,411	40,297,940	32,170,529	8,127,411	40,297,940	32,170,529	8,127,411	40,297,940	32,170,529	8,127,411	40,297,940

Notes:
 *Future Fiscal Years (2021-2025) federal formula funding based on Senecoy targets with an annual increase of 2% for FY24 & 25.
 *Funding based on SMART 5310 share of General LGA funds in 2021 and 2022.
 *FY 2021-2022 CRAID Projects approved by SEMCOG. 2024-2025 are anticipated applications based on application history.
 **SMART's share of the 5310 Funding for the OCPTA LGA is determined by the Regional Transit Authority. Projects shown in budget are anticipated requests for funding.
 †Nontransport New Fraction funds are allocated by MCOF and are separate and in addition to SMART's share of the 5310 funding for the OCPTA LGA.
 ‡Nontransport 5310 funds are administered by MCOF. SMART applies on behalf of eligible subrecipient in SMART's service area.
 §OCPTA funds are administered by MCOF and are for Service Development and New Technology projects.
 ¶Government's Apportionment, Section 5310 Funding and JARC can have extra priority used for operating assistance (50% Federal and 50% Local Match, 20% Federal with 30% State Match, and 80% Federal with 20% Local). These numbers are shown on the table but not included in the sum of capital funds.

COVERAGES

CERTIFICATE NUMBER: 746949672 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE	TYPE OF INSURANCE	INSURER	POLICY NUMBER	EFFECTIVE DATE (MM/DD/YYYY)	EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
						PER OCCURRENCE	AGGREGATE
B	COMMERCIAL GENERAL LIABILITY	N/A	N1A2RL000004704	7/1/2020	7/1/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (All occurrences)	\$ 10,000,000
						PERSONAL AND ADJ. INJURY	\$ 10,000,000
B	AUTOMOBILE LIABILITY	N/A	N1A2RL000004704	7/1/2020	7/1/2021	COMBINED SINGLE LIMIT (Per person)	\$ 10,000,000
						PROPERTY DAMAGE (Per accident)	\$ 20,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N/A	ACG4061020	7/1/2019	7/1/2021	E.L. EACH ACCIDENT	\$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

Informational Purposes Only	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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agenda item

DATE: December 10, 2020 DISPOSITION SOUGHT: Receive and File
TO: SMART Board of Directors SUBMITTED BY: Director of Finance
FROM: Finance Department APPROVED BY: General Manager

SUBJECT: Audited Financial Statements for the Year Ending June 30, 2020 including Other Independent Auditor Reports

RECOMMENDATION:

That the Board approve the attached resolution to:

1. Receive SMART's FY 2019/20 audit reports:
 1. Audited Financial Statements
 2. Single Audit Report
 3. Statement of Auditing Standard Annual Auditors Letter to the Board
2. Direct the Director of Finance to file them prior to 12/31/2020 to the proper federal and state agencies as required by law

SUMMARY:

Attached, please find the completed Fiscal Year 2019/20 SMART audited Financial Statements, Single Audit Report (Federal Awards Supplemental Information) and Statement of Auditing Standard (AU 260/265) annual Auditors Letter to the Board. The Audit Committee reviewed a draft of these communications at their 12/10/2020 Audit Committee meeting with the independent auditors and staff.

All items were recommended by the Audit Committee to come to the Board, for Board consideration, at its 12/10/2020, Board meeting contingent upon receiving auditor opinions on the 2019/20 financial statements and Single Audit. In addition, SMART staff was to complete the unaudited Other Supplemental Information schedules which are attached to the independent audited financial statements and also forward a signed Representation Letter to the Auditors prior to audit submittal to the Board. All of these items are complete.

DISCUSSION:

In accordance with PA 204 of 1967 as amended and PA 2 of 1968 as amended the Suburban Mobility Authority for Regional Transportation must have an annual independent audit of its financial records and internal controls. The Federal government, under U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards also requires a Single Audit (Federal Awards Supplemental Information Report) to be performed by an independent auditor if the value of federal dollars received is \$750,000 or greater. Under Generally Accepted Auditing Standards, the auditors also provides to SMART a communication to those charged with governance relating to internal controls at SMART and highlighting other auditor recommendations and related financial information within this document.

The draft audit, Single Audit and Statement of Auditing Standard letter was presented to the Audit Committee at their 12/10/2020 meeting. After review with the independent auditors and staff, the Audit committee voted to move all items to the full Board of Directors for review and consideration subject to the Authority obtaining the final financial statement opinion from the auditors, a federal awards supplemental information opinion letter from the auditors and staff preparing and providing the Other Supplemental Financial Information which is attached to the audit report. Further, staff was also required to provide the required signed representation letter to the independent auditors on or before 12/10/20. All items are complete and if applicable, part of the final reporting package to the Board.

ATTACHMENTS:

- A. Resolution
- B. Audited FY 2019/20 Financial Statements,
- C. Federal Awards Report
- D. Statement of Auditing Standard Letter to the Board

RESOLUTION

Receive and File the Audited Financial Statements for the Year Ending June 30, 2020 including Other Independent Auditor Reports

- Whereas, Public Act 2 of 1968 as amended and Public Act 204 of 1967 requires and independent audit of the Authority's financial statements annually; and
- Whereas, The Board of Directors appointed the independent public accounting firm of Plante Moran to perform the annual audit for the year ending June 30, 2020; and
- Whereas, The Authority requires the financial statements to be reviewed by the Authority's Audit Committee prior to the approval by the full Board of Directors; and
- Whereas, The Authority Audit Committee met on 12/10/2020, to review said statements and supporting documents with the independent auditors, and forwarded the audited financial statements and support documents to the Board for their approval; and
- Whereas, Upon approval by the Board of Director's Public Act 2 of 1968 as amended requires that all Cities, Villages and Townships along with the Authority to file their annual audited financial statements with the State of Michigan, Department of Treasury no later than six months after the end of their fiscal year; and
- Whereas, The Federal Government requires the Authority to submit its audited federal funds (single audit) to the federal government upon completion of its annual audit but no later than March 31 after the Authority's fiscal year end. Therefore be it:

- RESOLVED: that the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby receives and files the following reports:
1. The 6/30/2020, audited financial statements, and accompanying independent auditors report dated 12/10/2020,
 2. The audited single audit report for the year ended 6/30/2020, and the accompanying Independent Auditors reports dated 12/10/2020, regarding the Report on Schedule of Expenditures of Federal Awards, the Report on Internal Control
 3. The Report on Compliance, the 12/20/2020 Other Required Communications letter and

BE IT FURTHER RESOLVED: that the Board directs the Director of Finance to submit all reports to their proper federal and state agencies as required by state and federal law prior to 12/31/2020.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No.

Suburban Mobility Authority for Regional Transportation

**Financial Report
with Supplemental Information
June 30, 2020**

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Independent Auditor's Report

To the Board of Directors
Suburban Mobility Authority for
Regional Transportation

Report on the Financial Statements

We have audited the accompanying basic financial statements of the Suburban Mobility Authority for Regional Transportation (the "Authority" or SMART) as of and for the years ended June 30, 2020 and 2019 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Suburban Mobility Authority for Regional Transportation as of June 30, 2020 and 2019 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
Suburban Mobility Authority for
Regional Transportation

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Suburban Mobility Authority for Regional Transportation's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplemental information, except for the nonfinancial reports on pages 73 and 76 and all reports for the year ended September 30, 2019 (those on pages 41, 43, 46-47, 51-53, 55, 64-72, and 74-75), is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, except for the nonfinancial reports on pages 73 and 76 and all reports for the year ended September 30, 2019 (those on pages 41, 43, 46-47, 51-53, 55, 64-72, and 74-75), is fairly stated in all material respects in relation to the basic financial statements as a whole.

The the nonfinancial reports on pages 73 and 76 and all reports for the year ended September 30, 2019 (those on pages 41, 43, 46-47, 51-53, 55, 64-72, and 74-75), have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2020 on our consideration of the Suburban Mobility Authority for Regional Transportation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Suburban Mobility Authority for Regional Transportation's internal control over financial reporting and compliance.

December 10, 2020

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis

The following discussion and analysis has been prepared by the Suburban Mobility Authority for Regional Transportation's (the "Authority" or SMART) management and should be read in conjunction with the financial statements and related note disclosures. The discussion is intended to present an overview of SMART's financial performance for the years ended June 30, 2020 and 2019 and does not purport to make any statement regarding the future operations of the organization. While SMART is an instrumentality of the State of Michigan, it is not a component of the State, as defined by the Governmental Accounting Standards Board (GASB).

Using This Annual Report

This annual financial report consists of a series of financial statements. The statement of net position and the statement of revenue, expenses, and changes in net position provide information about the activities of SMART as a whole and present a longer term view of the Authority's finances. This longer term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the cost of providing the Authority's services has been fully funded.

Financial Highlights

- Total operating revenue has decreased in fiscal year 2019-2020 (FY 2020) as compared to fiscal year 2018-2019 (FY 2019). This total operating revenue decrease is 35 percent, or approximately \$4.6 million. The Authority suspended collecting fare revenue effective March 18, 2020, due to the outbreak of the novel strain of coronavirus (COVID-19).
- SMART experienced an overall decrease in ridership during FY 2020, as a result of COVID-19. Effective March 18, 2020 SMART temporarily reduced service levels, to approximately 30% of normal operations, to match the decreased ridership. Service levels were restored to 60% of normal operating levels, in June 2020. SMART continues to monitor ridership and will adjust service levels to ensure reliable service, while not overcrowding the buses.
- SMART has adjusted operations and implemented new protocols in response to the COVID-19 pandemic. SMART is committed to maintaining reliable service, while keeping riders and staff safe. Masks are required to be worn by all riders, and bus capacity has been reduced to allow riders to socially distance. All buses and SMART facilities are cleaned daily with an electrostatic microbacterial spray, which kills microbes on surfaces for up to 7 days. SMART is committed to ensuring all buses are clean and safe for riders and drivers.
- The other component of total operating revenue is other operating income. This revenue component had an actual overall decrease of approximately \$149,000, or approximately 10 percent, compared to FY 2019. This revenue stream consists primarily of advertising, rental, and miscellaneous operating revenue.
- Nonoperating revenue decreased by \$1.1 million, or 1 percent, in FY 2020 compared to FY 2019. SMART utilized \$6 million of federal CARES Act Funding reimbursement during 2020 for COVID-19 related expenses. Investment earnings decreased \$400 thousand, and local property tax contributions decreased by \$1.4 million despite improving property values in the tricity area.
- In FY 2020, operating expenses of \$116.4 million, before depreciation, are \$1.9 million lower than FY 2019. This is due to a decrease in salary and fringe benefit costs to Authority staff and decreased insurance premium expense during FY 2020.
- Capital contribution spending in FY 2020 amounted to \$33.0 million. This is an increase of \$2.6 million or 8 percent for FY 2020. Spending \$33.0 million is a continuing result of the increased millage rate, allowing SMART to use federal capital funds to purchase capital assets, (i.e., bus replacement and facility rehabilitation), rather than using these funds for preventive maintenance in the operating budget as had been done prior to FY 2016.

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis (Continued)

- Deferred inflows of resources and deferred outflows of resources are directly related to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. See Notes 10 (for pension) and 12 (for OPEB) in the notes to the financial statements for additional information.
- Current liabilities increased by \$8.5 million primarily due to an increase in balances due to the State of Michigan of \$4.6 million, and accounts payable of \$1.4 million.
- Net position, which is detailed later, increased by \$39.1 million to \$115.4 million, which is a combination of the \$19.9 million increase in net investment in capital assets and \$19.4 million increase in unrestricted net position due to FY 2020 financial activity.

The Authority's Net Position

A summary of SMART's assets, liabilities, deferred outflows and inflows, and net position at June 30, 2020, 2019, and 2018 follows:

	2018	2019	2020
Assets			
Current and other assets:			
Cash and investments	\$ 110,877,845	\$ 129,462,570	\$ 139,048,962
Receivables	17,380,853	29,718,396	40,959,353
Other assets	3,419,937	3,451,365	3,323,684
Capital assets	111,417,330	123,256,998	143,183,939
Total assets	243,095,965	285,889,329	326,515,938
Deferred Outflows of Resources	7,471,392	37,766,920	27,670,543
Liabilities			
Current liabilities	23,006,636	24,620,559	33,099,498
Noncurrent liabilities	184,809,068	197,543,142	184,439,569
Total liabilities	207,815,704	222,163,701	217,539,067
Deferred Inflows of Resources	8,851,659	25,169,566	21,227,144
Net Position			
Net investment in capital assets	111,417,330	123,256,998	143,183,939
Restricted	250,801	216,367	62,254
Unrestricted	(77,768,137)	(47,150,383)	(27,825,923)
Total net position	<u>\$ 33,899,994</u>	<u>\$ 76,322,982</u>	<u>\$ 115,420,270</u>

SMART's current assets, including restricted cash, had a net increase of \$20.7 million, which represents a 13 percent increase compared to FY 2019. Restricted cash remained decreased from \$216,000 to \$62,000 at the end of FY 2020.

Amounts invested in capital assets increased 16.2 percent from a year ago, increasing \$19.9 million to \$143.2 million. The current year increase is due to current year net capital asset purchases exceeding depreciation expense.

Unrestricted net position, the portion of net position that can be used to finance day to day operations, increased by \$19.3 million from FY 2019. This change in unrestricted net position represents an unrestricted net position balance increase of 41.0 percent. The overall negative unrestricted net position balance is still a negative amount totaling \$(27,825,923) and is due to SMART implementing the required GASB Statement No. 75 other postemployment benefit accounting standard in 2018 and recording the associated net liability that now stands at \$114,775,704, in accordance with generally accepted accounting principles. SMART continued to pay down these liabilities in line with the funding plan in FY 2020.

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis (Continued)

The Authority's Changes in Net Position

	2018	2019	2020
Operating Revenue	\$ 14,965,854	\$ 13,507,791	\$ 8,754,652
Operating Expenses	124,373,828	133,911,478	133,919,431
Operating Loss	(109,407,974)	(120,403,687)	(125,164,779)
Nonoperating Revenue	112,600,706	135,110,097	131,254,791
Income - Before capital contributions	3,192,732	14,706,410	6,090,012
Capital Contributions	27,970,471	30,439,317	33,007,276
Change in Net Position	31,163,203	45,145,727	39,097,288
Net Position - Beginning of year	2,926,030	33,899,994	76,322,982
Net Position - End of year	<u>\$ 34,089,233</u>	<u>\$ 79,045,721</u>	<u>\$ 115,420,270</u>

As described earlier in financial highlights, total operating revenue has decreased in FY 2020 as compared to FY 2019. This is mainly a result of suspending fare collections for rides in March 2020. This total operating revenue decrease is 35 percent or approximately \$4.8 million for the fiscal year.

Operating expenses before depreciation are \$1.9 million lower than FY 2019. This is primarily due to a net decrease in salary and fringe benefit costs to Authority and employee defined benefit pension liability. Salary and fringe benefit decreases are due to reduced overtime wages and lower health fringe rates in FY 2020. Contract negotiations are still ongoing as of June 30, 2020.

Capital Assets and Debt Administration

The Authority continues to invest in infrastructure, equipment, and vehicles. SMART had \$143.2 million and \$123.3 million invested in capital assets as of June 30, 2020 and 2019, respectively. During FY 2020, SMART had total capital asset additions of approximately \$37.4 million, consisting primarily of \$23.2 million for new vehicles, \$2.4 million in facility and bus equipment, and \$11.8 in building improvements.

More detailed information concerning capital assets can be found in Note 5 in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Regional Transit Authority (RTA) is the designated recipient for federal funds to the tricounty urbanized area consisting of Wayne, Oakland, and Macomb counties. A portion of these funds is passed through to SMART. The current allocation of Section 5307 federal capital funding passed through the RTA is 50.0 percent to SMART, 49.0 percent to DDOT, and 1 percent to the Detroit Transportation Corporation (the People Mover). It is anticipated for FY 2021 that the Section 5307 federal capital funding passed through the RTA will again be 50.0 percent to SMART, 49.0 percent to DDOT, and 1 percent to the Detroit Transportation Corporation (the People Mover). For FY 2021, Section 5307 funding of approximately \$33.4 million is included in SMART's capital budget.

On August 7, 2018, voters in the Macomb, Oakland, and Wayne counties service areas approved a \$1.00 per thousand taxable value millage rate. The millage is applied against taxable value across Macomb County and in participating communities in Oakland and Wayne counties. The millage rate is subject to the State Headlee Amendment annually. The millage has been voter approved for a four year fiscal period starting in FY 2018 and is estimated to generate \$74 million annually. The millage revenue has allowed the Authority to fund the much needed replacement of our aging bus fleet by utilizing Section 5307 capital funds previously used to support operations.

Since FY 2018, SMART has received 223 fixed route replacement buses as part of its commitment to utilize the federal funds made available as a result of the millage rate increase. SMART has replaced all diesel connector buses with propane fueled vehicles. SMART has also purchased 24 enhanced shelters at high use bus stops.

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis (Continued)

SMART has adopted a balanced budget for FY 2021. The FY 2021 operating budget is approved for \$136.4 million. In addition, the FY 2021 restricted pass through revenue and expense budget has been approved for \$7.9 million. In FY 2021 the board also approved a federal/state \$302.1 million capital spending plan. This capital plan is a six year spending plan with an estimated \$50.3 million per year to be applied for and spent. In addition, the board continued to support incorporating \$55.0 million in prior year unspent approved grant dollars within the FY 2021 capital spending plan.

Requests for Further Information

This financial report is designed to provide our customers, taxpayers, and other interested parties with a general overview of the finances of the Suburban Mobility Authority for Regional Transportation and to demonstrate SMART's accountability for the money it receives. If you have questions about this report or need additional information, contact SMART at the Buhl Building, 535 Griswold Street, Suite 600, Detroit, MI 48226.

Suburban Mobility Authority for Regional Transportation

Statement of Net Position

June 30, 2020 and 2019

	Enterprise Operating Fund	
	2020	2019
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 120,583,813	\$ 113,367,102
Investments (Note 3)	18,465,149	16,095,468
Receivables:		
Local contributions receivable (Note 1)	6,450,493	6,978,777
Other receivables	649,427	440,500
Grant receivable (Note 4)	33,859,433	22,299,119
Materials and supplies inventories	2,979,146	3,079,493
Prepaid expenses and other assets	282,284	155,505
Total current assets	183,269,745	162,415,964
Noncurrent assets:		
Restricted cash (Note 3)	62,254	216,367
Nondepreciable capital assets (Note 5)	15,524,568	4,098,623
Depreciable capital assets - Net (Note 5)	127,659,371	119,158,375
Total noncurrent assets	143,246,193	123,473,365
Total assets	326,515,938	285,889,329
Deferred Outflows of Resources		
Deferred pension costs (Note 10)	10,956,370	18,263,852
Deferred OPEB costs (Note 12)	16,714,173	19,503,068
Total deferred outflows of resources	27,670,543	37,766,920
Liabilities		
Current liabilities:		
Municipal and community credits payable (Note 1)	4,710,001	3,343,011
Amounts payable under purchase of service agreements	504,988	321,035
Current portion of accrued self-insurance (Note 9)	7,024,913	7,997,958
Accounts payable	7,577,693	5,487,710
Accrued liabilities and other:		
Accrued salaries and wages	1,544,917	1,150,129
Operating assistance reserve	7,159,306	2,579,888
Other accrued liabilities	1,043,813	686,090
Current portion of compensated absences (Note 8)	3,533,867	3,054,738
Total current liabilities	33,099,498	24,620,559
Noncurrent liabilities:		
Accrued self-insurance - Net of current portion (Note 9)	4,509,805	3,474,382
Net pension liability (Note 10)	64,882,834	74,399,179
Net OPEB liability (Note 12)	114,775,704	119,479,780
Compensated absences - Net of current portion (Note 8)	271,226	189,801
Total noncurrent liabilities	184,439,569	197,543,142
Total liabilities	217,539,067	222,163,701
Deferred Inflows of Resources		
Deferred pension cost reductions (Note 10)	3,005,615	2,948,554
Deferred OPEB cost reductions (Note 12)	18,221,529	22,221,012
Total deferred inflows of resources	21,227,144	25,169,566
Net Position		
Net investment in capital assets	143,183,939	123,256,998
Restricted	62,254	216,367
Unrestricted	(27,825,923)	(47,150,383)
Total net position	\$ 115,420,270	\$ 76,322,982

Suburban Mobility Authority for Regional Transportation

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended June 30, 2020 and 2019

	Enterprise Operating Fund	
	2020	2019
Operating Revenue		
Fares	\$ 7,355,544	\$ 11,960,158
Other income	1,399,108	1,547,633
Total operating revenue	8,754,652	13,507,791
Operating Expenses		
Salaries and wages	48,913,330	44,846,396
Fringe benefits	33,122,897	37,445,780
Materials and supplies	9,690,019	11,709,084
Contractual services	3,624,761	4,149,675
Utilities	1,413,006	1,428,006
Claims and insurance	5,957,593	6,477,006
Purchased transportation (Note 7)	13,498,906	12,151,136
Miscellaneous expense	221,803	120,032
Depreciation	17,477,116	15,584,363
Total operating expenses	133,919,431	133,911,478
Operating Loss	(125,164,779)	(120,403,687)
Nonoperating Revenue (Expense)		
Investment income	1,853,643	2,260,456
Gain (loss) on sale of assets	93,804	(337,450)
Federal operating and preventive maintenance assistance	13,001,337	8,597,258
State operating grants	37,962,579	42,578,071
Local contributions (Note 6)	75,007,776	76,434,266
Other state and local sources	2,552,806	2,354,563
Other nonoperating revenue	782,846	500,194
Total nonoperating revenue	131,254,791	132,387,358
Income - Before capital contributions	6,090,012	11,983,671
Capital Contributions	33,007,276	30,439,317
Change in Net Position	39,097,288	42,422,988
Net Position - Beginning of year	76,322,982	33,899,994
Net Position - End of year	\$ 115,420,270	\$ 76,322,982

Suburban Mobility Authority for Regional Transportation

Statement of Cash Flows

Years Ended June 30, 2020 and 2019

	Enterprise Operating Fund	
	2020	2019
Cash Flows from Operating Activities		
Receipts from transit operations	\$ 8,330,707	\$ 13,108,652
Payments to suppliers	(12,528,315)	(16,138,888)
Payments to employees	(89,316,453)	(82,678,506)
Payments to claims and insurance	(5,895,215)	(7,599,240)
Payments for purchased transportation	(11,947,963)	(11,600,303)
Net cash and cash equivalents used in operating activities	(111,357,239)	(104,908,285)
Cash Flows from Noncapital Financing Activities		
State operating grants	44,187,900	43,747,376
Federal operating and preventive maintenance assistance	6,696,256	8,181,846
Local contributions	75,536,060	73,940,754
Other nonoperating receipts	997,864	868,370
Net cash and cash equivalents provided by noncapital financing activities	127,418,080	126,738,346
Cash Flows from Capital and Related Financing Activities		
Receipt of capital grants	28,921,982	22,197,829
Purchase of capital assets	(37,404,187)	(27,767,152)
Net cash and cash equivalents used in capital and related financing activities	(8,482,205)	(5,569,323)
Cash Flows from Investing Activities		
Interest received on investments	1,853,643	2,289,553
Purchases of investment securities	(2,369,681)	(4,038,983)
Net cash and cash equivalents used in investing activities	(516,038)	(1,749,430)
Net Increase in Cash and Cash Equivalents	7,062,598	14,511,308
Cash and Cash Equivalents - Beginning of year	113,583,469	99,072,161
Cash and Cash Equivalents - End of year	\$ 120,646,067	\$ 113,583,469
Classification of Cash and Cash Equivalents		
Cash and cash equivalents	\$ 120,583,813	\$ 113,367,102
Restricted cash	62,254	216,367
Total cash and cash equivalents	\$ 120,646,067	\$ 113,583,469
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating loss	\$ (125,164,779)	\$ (120,771,863)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization	17,477,116	15,584,363
Noncash change in net pension liability	(2,320,904)	4,663,055
Noncash change in net OPEB liability	(5,914,664)	(5,223,474)
Noncash change in self-insurance liability	62,378	(1,122,234)
Changes in assets and liabilities:		
Materials and supplies inventory	100,347	(34,542)
Other receivables	(208,927)	(30,963)
Prepaid and other assets	(126,779)	(31,320)
Accounts payable and accrued liabilities	2,447,706	1,333,771
Municipal and community credits payable	1,366,990	350,430
Payable under purchase service contracts	183,953	200,403
Accrued wages and compensated absences	955,342	174,089
Net cash and cash equivalents used in operating activities	\$ (111,142,221)	\$ (104,908,285)

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies

The following is a summary of the significant accounting policies used by the Suburban Mobility Authority for Regional Transportation (SMART or the "Authority"):

Organization

The Suburban Mobility Authority for Regional Transportation, an instrumentality of the State of Michigan, is a public benefit agency created pursuant to the provisions of Act No. 204 of the Public Acts of Michigan of 1967, as amended. SMART is charged with the responsibility to plan, acquire, construct, operate, maintain, replace, improve, extend, and contract for public transportation facilities within the counties of Macomb, Monroe, Oakland, and Wayne. SMART is managed by a seven-member board of directors, which represents the counties that comprise SMART's operating region.

In December 2012, the passage of Michigan Public Act (PA) 387 created the Regional Transit Authority (RTA) and added Washtenaw County to the formerly tricounty transit region composed of Macomb, Oakland, and Wayne counties. SMART, the Detroit Department of Transportation (DDOT), the Ann Arbor Area Transportation Authority (AAATA), and the Detroit Transportation Corporation (the "Detroit People Mover") are subrecipients of the RTA for state and federal operating assistance, capital grants, and loans. The State of Michigan and the Federal Transit Administration (FTA) pay such funds directly to SMART at the direction of the RTA.

PA 387 also terminated the Regional Transit Coordinating Council (RTCC), the then-existing designated recipient, and made the Southeast Michigan Council of Governments (SEMCOG) the designated recipient of federal funds until October 1, 2013, when the RTA became the designated recipient. In March 2013, prior to PA 387, SEMCOG determined the allocation of operating assistance funds under Act 51 and federal capital funds to the tricounty urbanized area. Based on information submitted by the agencies, SEMCOG allocated 51.5 percent to SMART, 47.5 percent to DDOT, and 1 percent to the Detroit Transportation Corporation. This allocation remains in effect and is subject to change based on annual review by the RTA. Capital grants or loans are not allocated on a formula basis but rather are allocated on a specific project or asset basis in accordance with the terms of the grant or loan.

Reporting Entity

The financial reporting entity, as defined by Statement Nos. 14 and 39 (as amended by Statement Nos. 61 and 80) of the Governmental Accounting Standards Board (GASB), is composed of the primary government and its component units. The primary government includes all departments and operations for which SMART exercises oversight responsibility. Oversight responsibility was evaluated based on consideration of financial interdependency, selection of governing authority, designation of management, the ability to significantly influence management, and accountability for fiscal matters. The reporting entity of SMART consists solely of the primary government. There are no component units.

Based on the guidelines outlined in GASB Statement Nos. 14 and 39 (as amended by GASB Statement Nos. 61 and 80), this is evidenced by the fact that, with respect to any other governmental unit, including the transportation agencies with which SMART has entered into purchase of service agreements, or the Act 196 Transportation Authorities in the counties served by SMART, SMART does not select its governing authority, designate its management, exercise significant influence over its daily operations, or maintain its accounting records.

SMART is not included within the reporting entity of the State of Michigan because the State of Michigan has no authority to appoint or remove SMART's management or board of directors and is not accountable for its fiscal matters.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Accounting and Reporting Principles

The Authority follows accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the Authority.

Report Presentation

This report includes the fund-based statements of the Authority. In accordance with government accounting principles, a government-wide presentation with program and general revenue is not applicable to special purpose governments engaged only in business-type activities.

Fund Accounting

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees). The Authority reports all activity in a single enterprise fund.

Basis of Accounting

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Specific Balances and Transactions

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Local Contributions Receivable

Local contributions receivable are shown net of estimated uncollectible amounts. No other allowances for anticipated uncollectible amounts are included in the financial statements, as SMART considers all other receivables to be fully collectible.

Materials and Supplies Inventory

Inventory consists of maintenance parts, repair parts, operating and office supplies, and fuel used in the operation of the transit system. Inventories are recorded at average cost. In accordance with industry practice, all inventories are classified as current assets, even though a portion of the inventories is not expected to be utilized within one year.

Restricted Assets

The Authority has unspent proceeds from the sale of assets originally acquired with capital grant funds. SMART has notified the federal granting agency and is required to segregate those funds for future acquisitions of capital assets.

Note 1 - Significant Accounting Policies (Continued)

Capital Assets

Capital assets are defined by the Authority as assets with an initial individual cost of more than \$2,500 (\$1,000 for computer equipment) and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost or estimated historical cost. Improvements that are expected to extend the useful lives of existing assets are capitalized. Donated fixed assets are recorded at estimated acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is computed using the straight-line method with a half year in the first and last years of the asset's depreciable life, based upon the estimated useful lives of the assets as follows:

<u>Capital Asset Class</u>	<u>Depreciable Life Years</u>
Connector transit buses and related equipment	4 to 10
Fixed-route buses and related equipment	7 to 14
Buildings and building improvements	25
Leasehold improvements*	5 to 25
Equipment and office furnishings	3 to 10

*Leasehold improvements are amortized over the shorter of the life of the specific improvement or the term of the related lease.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an expense until then. The Authority has deferred outflows related to pensions and OPEB, as detailed in Notes 10 and 12, respectively.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as revenue until that time. The Authority reports deferred inflows of resources related to pensions and OPEB, as detailed in Notes 10 and 12, respectively.

Net Position Flow Assumption

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Pension

The Authority offers pension benefits to retirees. The Authority records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefit Costs

The Authority offers retiree healthcare benefits to employees upon retirement. The Authority records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Claims Expense/Liability

SMART has a self-insurance program for general and vehicle liability, as well as workers' compensation claims. Claims are accrued in the year the expenses are incurred, based upon the estimates of the claim liabilities made by management, SMART legal counsel, and actuaries. Reserves are also provided for estimates of claims incurred during the year but not yet reported. Claims expense is accrued in the period during which the incidents of loss occur based upon estimates of the expected liability, as determined by management with the assistance of third-party administration, legal counsel, and actuaries. Claims liabilities are estimated by management using the most current available information.

Municipal and Community Credits Payable

Annually, SMART receives municipal credit funding from the State of Michigan and funds community credits. SMART passes those monies through to various individual communities. Every year, SMART executes contracts with each individual community, which allows it to receive municipal and community credit monies. SMART receives the monies up front from the State, and then each community must request reimbursement from SMART related to contractually allowed expenses. The difference between the amount the State has awarded and sent to SMART and the amount for which the communities have requested reimbursement by June 30 of each respective fiscal year end is recorded as a municipal and community credit payable.

Compensated Absences (Vacation and Sick Leave)

SMART employees earn vacation and sick leave, which is generally fully vested when earned. Unused vacation time may be carried over to the following year, with certain limitations. For union employees, the vacation carryover is limited to one year, and for nonunion employees, it can be carried over for two years. Upon termination of employment, employees are paid for unused accumulated vacation. For union employees, sick leave may be accumulated and paid upon retirement and, for certain employees, upon voluntary termination of employment. For union employees, certain accumulated sick leave may also be converted into additional vacation time. Accumulated unpaid vacation and sick leave are recorded as compensated absence liabilities.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Proprietary Funds Operating Classification

SMART distinguishes operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of SMART is charges to customers for services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Grant Activities

The federal government, through the Federal Transit Administration (FTA) and the Michigan Department of Transportation (MDOT), provides financial assistance and grants directly to the Authority for operations and acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenue over the entitlement periods. Federal and state capital acquisition grants fund the purchase of capital items, including buses, bus terminals, and related transportation equipment used by SMART and other transit agencies within the southeastern Michigan region. Capital grants for the acquisition of capital assets are recorded as grants receivable in the statement of net position and capital contributions in the statement of revenue, expenses, and changes in net position when the related qualified expenditures are incurred.

When assets acquired with capital grant funds are disposed of, the Authority is required to notify the granting federal agency. A proportional amount of the proceeds or fair market value, if any, of such property may be used to acquire like-kind replacement vehicles or can be remitted to the granting federal agency at its discretion.

Passenger Fares

Passenger fares are recorded as revenue at the time services are performed.

Cost Allocation Plan

The Authority did not have any cost allocation plans in the current year.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Significant estimates affecting the financial statements relate to the obligation for other postemployment benefits, the required contribution for pensions, estimated liabilities related to self-insurance, the allowance for collectibility of local contribution receivables, the accrual for pending property tax appeals and anticipated chargebacks from the counties, and the reserve for Act 51 revenue.

Reclassification

Certain 2019 amounts, on the statement of Revenue, Expenses, and Changes in Net Position, have been reclassified to conform to the 2020 presentation.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2021.

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2022.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange of exchange-like transaction. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2023.

Note 2 - State of Michigan Operating Assistance Funds

Under Act 51 of the Public Acts of 1951 (Act 51), as amended, the State of Michigan makes distributions of funds that have been appropriated for mass transit operating assistance. As indicated in Note 1, the RTA is the designated recipient for such funds, and SMART is a subrecipient of the RTA. SMART has recorded operating grant revenue under Act 51 based on a formula that takes into account the eligible costs incurred by SMART, locally generated revenue of SMART, the percentage of the RTA's funding that is allocable to SMART, and preliminary information made available by the Michigan Department of Transportation (MDOT) as to the amount of funds expected to be available to the RTA.

June 30, 2020 and 2019

Note 2 - State of Michigan Operating Assistance Funds (Continued)

The latest “final” determination of State of Michigan operating assistance allocable to SMART, in accordance with the ACT 51 funding formula, was for the State of Michigan’s fiscal year ended September 30, 2018, 2017, and 2016. There were no further adjustments to the Act 51 revenue as a result of closing out these years. Furthermore, SMART awaits the “final” determination for the years ended September 30, 2019 and 2020. SMART has recorded an estimated aggregate liability of approximately \$7,160,000 as of June 30, 2020 based on management’s anticipation of the results of the State’s final determination of the ACT 51 funding formula for the open years.

Act 51 requires SMART to provide a portion of the State of Michigan operating assistance as funding to municipalities within its transportation district. Amounts not used by the municipalities within two years must be expended by SMART for operating purposes within the county in which the city, village, or township resides. SMART was required to provide approximately \$3,261,000 pursuant to this provision in each of fiscal years 2020 and 2019. Refer to Note 1 for additional information regarding the State of Michigan operating assistance funds.

Note 3 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

Cash and cash equivalents	\$ 120,583,813
Investments	18,465,149
Restricted cash	<u>62,254</u>
Total deposits and investments	<u>\$ 139,111,216</u>

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers’ acceptances of United States banks; commercial paper rated within the two highest classifications that matures not more than 260 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Authority has designated three banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 20 of 1943 has authorized investments in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers’ acceptances of United States banks; commercial paper rated within the highest classifications established by not less than two standard rating services that matures not more than 260 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan; and investment pools organized under the Local Government Investment Pool Acts, 1982 PA 367 and 1985 PA 121.

The Authority’s cash and investments are subject to several types of risk, which are examined in more detail below.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority’s deposits may not be returned to it. SMART does not have a deposit policy for custodial credit risk. At year end, the Authority had \$121,014,413 of bank deposits (checking and savings accounts), of which \$119,989,413 was uninsured and uncollateralized.

Note 3 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. SMART's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 260-day maturity.

At year end, SMART had the following investments:

Investment	Fair Value	Weighted- average Maturity (Years)
Negotiable certificates of deposit	\$ 11,105,568	3.50
U.S. government agency securities	2,637,929	5.00
Commercial paper	4,721,652	0.52

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. As of June 30, 2020, the Authority had commercial paper with a Moody's rating of P1 and P2, as well as S&P rating of A1 and A2.

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has the following recurring fair value measurements as of June 30, 2020:

- Negotiable certificates of deposit of \$11,105,568 are valued using a matrix pricing model (Level 2 inputs).
- U.S. government agency securities of \$2,637,929 are valued using a matrix pricing model (Level 2 inputs).
- Commercial paper of \$4,721,652 is valued using a matrix pricing model (Level 2 inputs).

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 4 - Grants Receivable

At June 30, 2020 and 2019, grants receivable are composed of the following:

	<u>2020</u>	<u>2019</u>
Accounts receivable - Billed		
Federal government grants	\$ 2,354,636	\$ 2,396,129
State of Michigan grants	11,718,787	9,408,583
Total billed	<u>14,073,423</u>	<u>11,804,712</u>
Accounts receivable - Unbilled		
Federal government grants	14,757,532	3,934,192
State of Michigan grants	3,585,819	5,280,590
Local grants	1,442,659	1,279,625
Total unbilled	<u>19,786,010</u>	<u>10,494,407</u>
Total	<u>\$ 33,859,433</u>	<u>\$ 22,299,119</u>

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 5 - Capital Assets

Capital asset activity during the fiscal year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Additions	Disposals and Adjustments	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 3,473,174	\$ -	\$ -	\$ 3,473,174
Construction in progress	620,449	11,425,945	-	12,046,394
Trademark	5,000	-	-	5,000
Subtotal	4,098,623	11,425,945	-	15,524,568
Capital assets being depreciated:				
Fixed-route buses and equipment	81,506,157	15,809,636	(9,384,506)	87,931,287
Connector buses and related equipment	80,355,264	7,670,508	(959,974)	87,065,798
Buildings and improvements	49,002,025	296,168	-	49,298,193
Office furnishings and equipment	2,108,193	255,563	-	2,363,756
Other equipment	71,577,799	1,946,367	(2,590)	73,521,576
Leasehold improvements	8,316,895	-	-	8,316,895
Subtotal	292,866,333	25,978,242	(10,347,070)	308,497,505
Accumulated depreciation:				
Fixed-route buses and equipment	32,989,735	6,050,151	(9,384,506)	29,655,380
Connector buses and related equipment	37,928,837	7,478,165	(959,974)	44,447,028
Buildings and improvements	35,925,379	1,043,314	-	36,968,693
Office furnishings and equipment	2,003,809	36,753	-	2,040,562
Other equipment	58,117,533	2,630,781	(2,460)	60,745,854
Leasehold improvements	6,742,665	237,952	-	6,980,617
Subtotal	173,707,958	17,477,116	(10,346,940)	180,838,134
Net capital assets being depreciated	119,158,375	8,501,126	(130)	127,659,371
Net capital assets	<u>\$ 123,256,998</u>	<u>\$ 19,927,071</u>	<u>\$ (130)</u>	<u>\$ 143,183,939</u>

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 5 - Capital Assets (Continued)

Capital asset activity during the fiscal year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Reclassifications	Additions	Disposals	Balance June 30, 2019
Capital assets not being depreciated:					
Land	\$ 3,473,174	\$ -	\$ -	\$ -	\$ 3,473,174
Construction in progress	576,924	(48,904)	92,429	-	620,449
Trademark	-	-	5,000	-	5,000
Subtotal	4,050,098	(48,904)	97,429	-	4,098,623
Capital assets being depreciated:					
Fixed-route buses and equipment	76,930,991	-	19,035,720	(14,460,554)	81,506,157
Connector buses and related equipment	78,848,916	-	5,684,625	(4,178,277)	80,355,264
Buildings and improvements	48,548,831	-	453,194	-	49,002,025
Office furnishings and equipment	2,108,193	-	-	-	2,108,193
Other equipment	69,118,254	48,904	2,410,641	-	71,577,799
Leasehold improvements	8,164,727	-	152,168	-	8,316,895
Subtotal	283,719,912	48,904	27,736,348	(18,638,831)	292,866,333
Accumulated depreciation:					
Fixed-route buses and equipment	42,422,885	-	4,561,145	(13,994,295)	32,989,735
Connector buses and related equipment	35,113,465	-	6,993,648	(4,178,276)	37,928,837
Buildings and improvements	34,894,260	-	1,031,119	-	35,925,379
Office furnishings and equipment	1,978,740	-	25,069	-	2,003,809
Other equipment	55,475,681	-	2,698,366	(56,514)	58,117,533
Leasehold improvements	6,467,649	-	275,016	-	6,742,665
Subtotal	176,352,680	-	15,584,363	(18,229,085)	173,707,958
Net capital assets being depreciated	107,367,232	48,904	12,151,985	(409,746)	119,158,375
Net capital assets	<u>\$ 111,417,330</u>	<u>\$ -</u>	<u>\$ 12,249,414</u>	<u>\$ (409,746)</u>	<u>\$ 123,256,998</u>

The eligible depreciation for fiscal year 2020 of \$218,462 (\$17,477,116 total depreciation reported less ineligible depreciation of \$17,258,654) includes only depreciation of assets purchased with local funds whereby the useful life of the asset purchased has been approved by the OPT (Office of Passenger Transportation).

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 5 - Capital Assets (Continued)

Construction Commitments

The Authority has active purchase contract commitments at year end related to the multiple capital purchases. At year end, the Authority's significant commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Bus purchase	\$ 1,262,888	\$ 708,945
Building construction	7,489,813	6,823,128
Bus shelters	1,543,142	1,274,324
Optimization modules	99,998	478,936
Oil pits	674,050	56,520
	<u>\$ 11,069,891</u>	<u>\$ 9,341,853</u>
Total	<u>\$ 11,069,891</u>	<u>\$ 9,341,853</u>

Note 6 - Property Taxes

In August 2014, Oakland, Wayne, and Macomb counties approved an increase from the then 0.59 mills to 1.00 mills, which were collected and recorded as revenue at the new rate in fiscal year 2015. Tax revenue received by Macomb County, Michigan; the Wayne County Act 196 Authority; and the Oakland County Act 196 Authority, which was contributed to SMART for the years ended June 30, 2020 and 2019, totaled \$75,007,776 and \$76,434,266, respectively.

Note 7 - Community Support and Purchase of Service

SMART has entered into purchase of service agreements with various transportation agencies, including community transit operators, all of which are separate transit systems operating in SMART's region. The agreements generally require that operating losses (as defined in the respective agreements) of these transportation agencies be subsidized up to specified maximum amounts.

Expenses under the purchase of service agreements for the years ended June 30 are composed of the following:

	2020	2019
Municipal credits	\$ 3,261,080	\$ 3,261,080
Community credits	3,840,242	3,750,247
Total Community Support	7,101,322	7,011,327
Community transit bus service	3,136,960	2,150,546
Specialized services	888,673	787,819
JARC and New Freedom	2,168,917	1,996,567
Royal Oak Township	10,434	12,277
Community-based services	192,600	192,600
Total Purchase of Service	<u>6,397,584</u>	<u>5,139,809</u>
Total	<u>\$ 13,498,906</u>	<u>\$ 12,151,136</u>

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 8 - Long-term Debt

Long-term debt activity for the year ended June 30, 2020 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Accumulated compensated absences	\$ 3,244,539	\$ 2,856,133	\$ (2,295,579)	\$ 3,805,093	\$ 3,533,867

Activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Accumulated compensated absences	\$ 3,141,691	\$ 2,834,587	\$ (2,731,739)	\$ 3,244,539	\$ 3,054,738

Note 9 - Risk Management

SMART is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation).

In fiscal years 2020 and 2019, SMART was a qualifying self-insurer for vehicle and general liability loss with a self-retention per occurrence amount of \$1 million and excess insurance totaling \$10 million per occurrence. SMART is self-insured for workers' compensation claims up to \$500,000 per specific claim and is insured up to \$5 million for aggregate losses in excess of the \$500,000 individual claim. Vehicle, general, and workers' compensation claim liabilities are actuarially determined based on known information. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Recorded liabilities include an estimated amount for claims that have been incurred but not reported (IBNR). Management represents, based on existing known information and prior experience, that the estimated reserve for claims is adequate to satisfy all claims filed, or expected to be filed, for incidents that occurred through June 30, 2020.

SMART carries third-party commercial insurance for other areas of liability risk, including health benefits. Settled claims have not exceeded commercial coverage in any of the preceding five years.

Changes in the balances of self-insured liabilities during fiscal years 2020, 2019, and 2018 were as follows:

	2020	2019	2018
Claims liability - July 1	\$ 11,472,340	\$ 12,594,574	\$ 13,169,825
Incurred claims - Current year including adjustments to IBNR	3,876,796	3,772,548	5,232,911
Claim payments	(3,814,418)	(4,894,782)	(5,808,162)
Claims liability - June 30	<u>\$ 11,534,718</u>	<u>\$ 11,472,340</u>	<u>\$ 12,594,574</u>

June 30, 2020 and 2019

Note 10 - Agent Defined Benefit Pension Plan

Plan Description

The Suburban Mobility Authority for Regional Transportation participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Michigan (MERS), which covers all full-time employees of the Suburban Mobility Authority for Regional Transportation. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report, which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmich.com or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Benefits Provided

The plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS.

The MERS plan covers full-time employees at the Authority, including ATU, UAW, Teamsters, AFSCME, and nonunion employees.

Retirement benefits for employees hired before July 1, 2007 are calculated as 2.25 percent of the employee's final five-year average salary times the employee's years of service. Normal retirement age is 60 with early retirement at 55 with 15 years of service. The vesting period is six years. Employees are eligible for nonduty disability benefits after six years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits, but are payable immediately without an actuarial reduction. Death benefits equal at least 85 percent of the accrued retirement allowance benefit. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Retirement benefits for employees hired after July 1, 2007 are calculated as 1.70 percent of the employee's final five-year average salary times the employee's years of service. Normal retirement age is 60 with early retirement at 50 with 20 years of service. The vesting period is 10 years. Employees are eligible for nonduty disability benefits after six years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits, but are payable immediately without an actuarial reduction. Death benefits equal at least 85 percent of the accrued retirement allowance benefit. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are determined annually based on a percentage of the original retirement benefits, a percentage of the present retirement benefits, or a fixed dollar amount.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Authority's board, generally after negotiations of these terms with the affected unions.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms as of December 31, 2019:

Inactive plan members or beneficiaries currently receiving benefits	902
Inactive plan members entitled to but not yet receiving benefits	152
Active plan members	<u>835</u>
Total employees covered by the plan	<u><u>1,889</u></u>

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 10 - Agent Defined Benefit Pension Plan (Continued)

Contributions

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Authority has established a 4.50 percent of covered payroll contribution rate to be paid by its covered employees.

For the year ended June 30, 2020, the average active employee contribution rate was 4.50 percent of annual pay, and the Suburban Mobility Authority for Regional Transportation's average contribution rate was 29.8 percent of annual payroll.

Net Pension Liability

The Authority has chosen to use the December 31 measurement date as its measurement date for the net pension liability. The June 30, 2020 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the December 31, 2019 measurement date. The December 31, 2019 measurement date total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension liability during the measurement year were as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2018	\$ 254,637,445	\$ 180,238,266	\$ 74,399,179
Changes for the year:			
Service cost	4,502,393	-	4,502,393
Interest	19,885,440	-	19,885,440
Differences between expected and actual experience	(2,768,704)	-	(2,768,704)
Changes in assumptions	8,381,719	-	8,381,719
Contributions - Employer	-	13,368,558	(13,368,558)
Contributions - Employee	-	2,013,938	(2,013,938)
Net investment income	-	24,557,841	(24,557,841)
Benefit payments, including refunds	(16,641,264)	(16,641,264)	-
Administrative expenses	-	(423,144)	423,144
Net changes	13,359,584	22,875,929	(9,516,345)
Balance at December 31, 2019	\$ 267,997,029	\$ 203,114,195	\$ 64,882,834

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the Authority recognized pension expense of \$11,047,654.

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 10 - Agent Defined Benefit Pension Plan (Continued)

At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 3,005,615
Changes in assumptions	5,587,813	-
Net difference between projected and actual earnings on pension plan investments	599,903	-
Employer contributions to the plan subsequent to the measurement date	4,768,654	-
Total	\$ 10,956,370	\$ 3,005,615

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date (\$4,768,654), which will impact the net pension liability in fiscal year 2021, rather than pension expense.

Years Ending June 30	Amount
2021	\$ 226,674
2022	2,484,990
2023	2,511,648
2024	(2,041,211)

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.50%
Salary increases (including inflation)	3.00%
Investment rate of return (gross of investment expenses)	7.60%

The mortality table used to project the mortality experience of nondisabled plan members is a 50 percent male and 50 percent female blend of the following tables:

1. The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105 percent
2. The RP-2014 Employee Mortality Tables
3. The RP-2014 Juvenile Mortality Tables

The mortality table used to project the mortality experience of disabled plan members is a 50 percent male and 50 percent female blend of the RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2019 actuarial valuation include a 10 percent margin for future mortality improvements, relative to the actual mortality experience seen in the 2009-2013 Experience Study.

Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Note 10 - Agent Defined Benefit Pension Plan (Continued)

Projected Cash Flows

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of December 31, 2019, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	6.15 %
Global fixed income	20.00	1.26
Real assets	20.00	6.56

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.60 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.0%)	Current Discount Rate (7.60%)	1 Percentage Point Increase (8.60%)
Net pension liability of the Suburban Mobility Authority for Regional Transportation	\$ 92,655,780	\$ 64,882,834	\$ 41,161,269

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued financial report found at www.mersofmich.com. The plan's fiduciary net pension has been determined on the same basis as used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Assumption Changes

The December 31, 2019 actuarial valuation included a reduction in the assumed investment rate of return from 8.00 percent to 7.60 percent and a reduction in the assumption for salary increases from 3.75 percent to 3.00 percent.

June 30, 2020 and 2019

Note 11 - Defined Contribution Postemployment Benefits

The Authority provides an employer-sponsored healthcare savings plan to certain employees to cover the costs of postemployment medical expenses available to the participant upon separation from employment by the Authority. This is a defined contribution plan administered by Michigan Municipal Employees' Retirement System. The benefits are provided under collective bargaining agreements (or other legal authority for providing benefits). There are no required contributions from employees. The Authority is required to contribute \$125 per month for each participating employee in the International Brotherhood of Teamsters and \$137 per month for each participating employee in Amalgamated Transit Union, American Federation of State, County and Municipal Employees, and nonrepresented employee groups. HCSP participants are not eligible for authority-paid retiree health care under any other authority plan or program.

During the years ended June 30, 2020 and 2019, the Authority made contributions of \$546,451 and \$737,675, respectively, to the plan.

Note 12 - Other Postemployment Benefit Plan

Plan Description

SMART provides other postemployment benefits (OPEB) for all employees who meet eligibility requirements. These OPEB benefits are provided by SMART through its Enterprise Operating Fund directly to the retiree and beneficiary monthly. The SMART Enterprise Operating Fund will also make, on a discretionary basis, advance OPEB funding contributions to the Michigan Municipal Employees' Retirement System (MERS) retiree health funding vehicle.

MERS is a statutory public corporation multiple-employer retirement system that pools assets of the participating employers for investment purposes but maintains separate accounts for each individual employer retiree health funding vehicle. These funds constitute a healthcare fund, which enable SMART to accumulate monies to provide or subsidize health benefits for retirees and retiree beneficiaries.

SMART and the Municipal Employees' Retirement System separately issue public financial reports that include financial statements and required supplemental information for their respective organizations. The MERS financial report can be obtained by writing to MERS at 1134 Municipal Way, Lansing, MI 48917 or on the MERS website at www.mersofmich.com.

Management of the plan is vested in the SMART board of directors.

Benefits Provided

SMART provides postemployment health insurance, life insurance, and prescription benefits to eligible employees and beneficiaries. Eligible employees include those who retire after attaining age 60 with at least six years of service or after attaining age 55 with at least 15 years of service. For certain employees hired after July 1, 2007, health, life, and prescription benefits will be provided after the employee attains age 55 with at least 25 years of service. There are no cost of living benefit adjustments. Union contracts or the nonunion benefit book outline specifically which healthcare agent a retiree or beneficiary can utilize.

Note 12 - Other Postemployment Benefit Plan (Continued)

Employees Covered by Benefit Terms

Substantially all SMART employees hired before July 1, 2007; AFSCME members hired before February 9, 2015; and all UAW members are members of the plan. During fiscal year 2015, SMART implemented a defined contribution healthcare savings plan (the "HCSP") as an alternative to the existing plan, effectively closing the retiree healthcare and prescription plan to new employees. All Amalgamated Transit Union, International Brotherhood of Teamsters, and all nonrepresented employees hired after July 1, 2007 were transferred to the HCSP retroactive to their date of hire. The HCSP also includes employees in the American Federation of State, County and Municipal Employees hired after February 9, 2015.

The following members were covered by the benefit terms as of December 31, 2018.

Inactive plan members or beneficiaries currently receiving benefits	611
Active plan members	<u>805</u>
Total plan members	<u><u>1,416</u></u>

Contributions

SMART contributes 100 percent of the actual monthly costs for current benefits and administrative expenses to the plan through its Enterprise Operating Fund (pay-as-you-go funding). SMART has made additional payments to the OPEB retiree health funding vehicle at MERS on a discretionary basis.

SMART union and nonunion retirees who retire after January 6, 2012 also contribute a portion of their monthly retirement benefit to fund monthly healthcare premium payments made by SMART. For the fiscal year ended June 30, 2020, SMART paid postemployment healthcare benefit premiums and administrative costs of \$7,145,341. In addition, SMART also contributed \$6,300,000 into its prefunded retiree healthcare fund and paid \$117,883 of administrative OPEB investment costs from the retiree healthcare fund.

Net OPEB Liability

The Authority has chosen to use the June 30, 2020 measurement date as its measurement date for the net OPEB liability. The June 30, 2020 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the June 30, 2020 measurement date. The June 30, 2020 total OPEB liability was determined by an actuarial valuation performed as of December 31, 2018, which used updated procedures to roll forward the estimated liability to June 30, 2020.

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 12 - Other Postemployment Benefit Plan (Continued)

Changes in the net OPEB liability during the measurement year were as follows:

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance at July 1, 2019	\$ 181,068,642	\$ 61,588,862	\$ 119,479,780
Changes for the year:			
Service cost	1,676,593	-	1,676,593
Interest	9,808,385	-	9,808,385
Differences between expected and actual experience	(1,297,425)	-	(1,297,425)
Contributions - Employer	-	13,445,341	(13,445,341)
Net investment income	-	1,564,171	(1,564,171)
Benefit payments, including refunds	(7,145,341)	(7,145,341)	-
Administrative expenses	-	(117,883)	117,883
Net changes	3,042,212	7,746,288	(4,704,076)
Balance at June 30, 2020	<u>\$ 184,110,854</u>	<u>\$ 69,335,150</u>	<u>\$ 114,775,704</u>

The plan's fiduciary net position represents 37.7 percent of the total OPEB liability.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Authority recognized OPEB expense of \$7,530,677.

At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 18,221,529
Changes in assumptions	14,200,398	-
Net difference between projected and actual earnings on OPEB plan investments	2,513,775	-
Total	<u>\$ 16,714,173</u>	<u>\$ 18,221,529</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30	Amount
2021	\$ (443,366)
2022	(416,519)
2023	(305,299)
2024	(220,014)
2025	(122,158)

Note 12 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using an inflation assumption of 2.5 percent; assumed salary increases for individual members based on age, including a base increase of 3.75 percent for all years and a merit/seniority increase of 11 percent at age 20, 7.2 percent at age 25, 3.1 percent at age 30, 1.9 percent at age 35, 1.2 percent at age 40, 0.81 percent at age 45, 0.52 percent at age 50, and 0.30 percent at age 55; an investment rate of return (net of investment expenses) of 5.5 percent; a healthcare cost trend rate of 8.25 percent for 2020, decreasing 0.50 percent for nine years to an ultimate rate of 3.75 percent for 2029 and later years; and the RP-2014 mortality tables. These assumptions were applied to all periods included in the measurement.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.50 percent. The projection of cash flows used to determine the discount rate assumed that in years where an unfunded actuarial accrued liability exists, the total contributions will be equal to the projected benefit payments (pay-as-you-go) plus an additional fixed employer contribution of a minimum \$4.1 million, in order to fund the actuarial contribution amount. In years where no unfunded actuarial accrued liability exists, the total contributions will be equal to the projected service cost, and contributions and benefit payments occur halfway through the year.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return as of the June 30, 2020 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	6.15 %
Global fixed income	20.00	1.26
Real assets	20.00	6.56

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 5.50 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (4.5%)	Current Discount Rate (5.5%)	1 Percentage Point Increase (6.5%)
Net OPEB liability of the Municipal Employees' Retirement System of Michigan	\$ 137,314,235	\$ 114,775,704	\$ 95,919,226

June 30, 2020 and 2019

Note 12 - Other Postemployment Benefit Plan (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the Authority, calculated using the healthcare cost trend rate of 8.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (7.25%)	Current Healthcare Cost Trend Rate (8.25%)	1 Percentage Point Increase (9.25%)
Net OPEB liability of the Municipal Employees' Retirement System of Michigan	\$ 93,447,657	\$ 114,775,704	\$ 140,318,093

Note 13 - Commitments

SMART leases certain office space and equipment under operating lease agreements. Some leases include escalation clauses for SMART's pro rata share of taxes and operating expenses. Total rent expense for the years ended June 30, 2020 and 2019 was approximately \$526,000 and \$479,000, respectively.

SMART entered into a noncancelable 10-year lease commencing on October 1, 2017 through September 30, 2027 for its administrative offices and the ticket sales store.

Approximate minimum lease payments are as follows:

Years Ending	Amount
2021	\$ 405,000
2022	405,000
2023	405,000
2024	405,000
2025	397,000
2026-2027	799,000
Total	<u>\$ 2,816,000</u>

Note 14 - Contingent Liabilities

Various legal actions and workers' compensation claims are outstanding or may be instituted or asserted against SMART. Management has accrued amounts with respect to such actions and claims based on its best estimate of SMART's ultimate liability in these matters, including an estimate for claims that have been incurred but not reported for self-insured liability exposure.

Note 15 - Explanation of Ineligible Expenses per the OPT R&E Manual

Ineligible expenses are classified appropriately according to the definition in the Local Public Transit Revenue and Expense Manual (R&E Manual). Any capital funds used to pay operating costs have been subtracted from eligible costs, which included \$4 million of preventative maintenance in 2020 and 2019. Also, any expenses associated with earned revenue, of which SMART had none in 2020 and 2019, would be subtracted from eligible costs.

June 30, 2020 and 2019

Note 16 - Impact of COVID-19 on Operations

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused disruptions through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. Since the outbreak, SMART has continuously monitored the situations, and made necessary adjustments to operations to ensure the safety of services. This includes reducing bus capacity, requiring face covers for riders, and additional bus cleaning procedures. To reduce contact between riders and drivers, SMART suspended collecting all fares for rides during the pandemic. Fare collection has not been reinstated as of the date of the financial statements.

On March 18, 2020, SMART temporarily reduced its bus service, to approximately 30 percent of normal operations, as a result of decreased ridership due to the pandemic and shelter in place orders. In June 2020, SMART reinstated bus service to approximately 60 percent of normal operations. Additionally, in June 2020, SMART began paying a hazard premium, between \$5.00 and \$7.50 per hour, for all drivers and staff whose function requires them to be on-site at a SMART facility. SMART incurred approximately \$500,000 in hazard pay expense for fiscal year 2020.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted and signed into law. The CARES Act included provisions for grant funding to state and local governments. SMART was allocated approximately \$55,605,000 of additional grant funding from the CARES Act. For fiscal year 2020, SMART will seek expenditure reimbursement of approximately \$6,000,000 from CARES funding.

Required Supplemental Information

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of Changes in the Net Pension Liability and Related Ratios

Last Six Years
Years Ended December 31

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 4,502,393	\$ 4,468,876	\$ 4,143,547	\$ 3,891,466	\$ 3,819,202	\$ 3,701,095
Interest	19,885,440	19,353,007	19,005,207	18,585,805	17,695,500	17,072,926
Differences between expected and actual experience	(2,768,704)	(870,763)	(3,478,232)	(2,515,718)	99,715	-
Changes in assumptions	8,381,719	-	-	-	10,351,934	-
Benefit payments, including refunds	(16,641,264)	(15,806,604)	(15,337,264)	(14,527,892)	(13,643,308)	(12,930,124)
Net Change in Total Pension Liability	13,359,584	7,144,516	4,333,258	5,433,661	18,323,043	7,843,897
Total Pension Liability - Beginning of year	254,637,445	247,492,929	243,159,671	237,726,010	219,402,967	211,559,070
Total Pension Liability - End of year	\$ 267,997,029	\$ 254,637,445	\$ 247,492,929	\$ 243,159,671	\$ 237,726,010	\$ 219,402,967
Plan Fiduciary Net Position						
Contributions - Employer	\$ 13,368,558	\$ 8,165,009	\$ 16,522,752	\$ 15,725,356	\$ 5,096,203	\$ 4,675,271
Contributions - Employee	2,013,938	1,972,003	1,750,206	1,650,588	1,627,578	1,600,418
Net investment income (loss)	24,557,841	(7,496,684)	23,044,677	17,449,806	(2,305,957)	9,705,285
Administrative expenses	(423,144)	(373,896)	(364,112)	(348,853)	(340,843)	(355,364)
Benefit payments, including refunds	(16,641,264)	(15,806,604)	(15,337,264)	(14,527,892)	(13,643,308)	(12,930,124)
Net Change in Plan Fiduciary Net Position	22,875,929	(13,540,172)	25,616,259	19,949,005	(9,566,327)	2,695,486
Plan Fiduciary Net Position - Beginning of year	180,238,266	193,778,438	168,162,179	148,213,174	157,779,501	155,084,015
Plan Fiduciary Net Position - End of year	\$ 203,114,195	\$ 180,238,266	\$ 193,778,438	\$ 168,162,179	\$ 148,213,174	\$ 157,779,501
Authority's Net Pension Liability - Ending	\$ 64,882,834	\$ 74,399,179	\$ 53,714,491	\$ 74,997,492	\$ 89,512,836	\$ 61,623,466
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.79 %	70.78 %	78.30 %	69.16 %	62.35 %	71.91 %
Covered Payroll	\$ 44,836,035	\$ 43,850,988	\$ 40,197,698	\$ 36,992,486	\$ 36,833,068	\$ 35,107,048
Authority's Net Pension Liability as a Percentage of Covered Payroll	144.71 %	169.66 %	133.63 %	202.74 %	243.02 %	175.53 %

Schedule is built prospectively upon implementation of GASB 68.

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of Pension Contributions

**Last Ten Fiscal Years
Years Ended June 30**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 8,212,548	\$ 7,033,464	\$ 6,522,752	\$ 5,725,357	\$ 5,096,203	\$ 4,788,752	\$ 4,549,591	\$ 4,747,571	\$ 5,194,092	\$ 5,952,816
Contributions in relation to the actuarially determined contribution	13,199,457	8,165,009	16,522,752	15,725,357	5,096,203	4,788,752	4,624,857	3,980,544	4,649,410	6,466,982
Contribution Excess (Deficiency)	\$ 4,986,909	\$ 1,131,545	\$ 10,000,000	\$ 10,000,000	\$ -	\$ -	\$ 75,266	\$ (767,027)	\$ (544,682)	\$ 514,166
Covered Payroll	\$ 44,268,897	\$ 43,850,988	\$ 40,197,698	\$ 36,992,486	\$ 36,833,068	\$ 35,107,048	\$ 34,791,376	\$ 34,887,806	\$ 36,714,556	\$ 39,146,755
Contributions as a Percentage of Covered Payroll	29.82 %	18.62 %	41.10 %	42.51 %	13.84 %	13.64 %	13.29 %	11.41 %	12.66 %	16.52 %

Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay - Closed
Remaining amortization period	20 years
Asset valuation method	Five-year smoothed market
Inflation	2.5 percent
Salary increase	3.75 percent - Including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	50 percent male - 50 percent female blend of the RP-2014 Mortality Tables
Other information	None

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of Changes in the Net OPEB Liability and Related Ratios

	Years Ended June 30		
	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 1,676,593	\$ 1,499,372	\$ 1,672,442
Interest	9,808,385	11,539,771	11,264,428
Differences between expected and actual experience	(1,297,425)	(27,059,480)	(321,657)
Changes in assumptions	-	22,428,697	-
Benefit payments, including refunds	(7,145,341)	(8,249,942)	(8,335,309)
Net Change in Total OPEB Liability	3,042,212	158,418	4,279,904
Total OPEB Liability - Beginning of year	181,068,642	180,910,224	176,630,320
Total OPEB Liability - End of year	\$ 184,110,854	\$ 181,068,642	\$ 180,910,224
Plan Fiduciary Net Position			
Contributions - Employer	\$ 13,445,341	\$ 13,999,942	\$ 13,553,709
Net investment income	1,564,171	1,800,508	3,672,021
Administrative expenses	(117,883)	(118,940)	(122,336)
Benefit payments, including refunds	(7,145,341)	(8,249,942)	(8,335,309)
Net Change in Plan Fiduciary Net Position	7,746,288	7,431,568	8,768,085
Plan Fiduciary Net Position - Beginning of year	61,588,862	54,157,294	45,389,209
Plan Fiduciary Net Position - End of year	\$ 69,335,150	\$ 61,588,862	\$ 54,157,294
Net OPEB Liability - Ending	\$ 114,775,704	\$ 119,479,780	\$ 126,752,930
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	37.66 %	34.01 %	29.94 %
Covered Payroll	\$ 55,369,846	\$ 54,013,348	\$ 44,134,313
Net OPEB Liability as a Percentage of Covered Payroll	207.29 %	221.20 %	287.20 %

Schedule is built prospectively upon implementation of GASB 75.

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of OPEB Contributions

**Last Ten Fiscal Years
Years Ended June 30**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 11,119,377	\$ 13,305,693	\$ 13,486,227	\$ 13,048,354	\$ 13,232,377	\$ 11,175,415	\$ 10,808,965	\$ 10,343,506	\$ 11,579,061	\$ 9,487,958
Contributions in relation to the actuarially determined contribution	13,445,341	13,999,942	13,553,709	14,273,710	12,955,318	11,621,453	7,622,758	6,951,013	5,669,814	5,505,236
Contribution Excess (Deficiency)	\$ 2,325,964	\$ 694,249	\$ 67,482	\$ 1,225,356	\$ (277,059)	\$ 446,038	\$ (3,186,207)	\$ (3,392,493)	\$ (5,909,247)	\$ (3,982,722)
Covered Employee Payroll	\$ 55,369,846	\$ 54,013,348	\$ 44,134,313	\$ 36,833,068	\$ 36,833,068	\$ 35,107,048	\$ 35,107,048	\$ 34,791,376	\$ 36,714,556	\$ 39,146,755
Contributions as a Percentage of Covered Employee Payroll	24.28 %	25.92 %	30.71 %	38.75 %	35.17 %	33.10 %	21.71 %	19.98 %	15.44 %	14.06 %

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of December 31 of even number years, which is 6 months prior to the beginning of the fiscal year biennium in which contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	25 years
Asset valuation method	Market value of assets
Inflation	2.00 to 2.75 percent
Healthcare cost trend rates	Initial trend of 8.25 percent gradually decreasing to an ultimate trend rate of 3.75 percent in year 10
Salary increase	3.75 to 14.75 percent
Investment rate of return	5.50 percent - Net of OPEB plan investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	50 percent male - 50 percent female blend of the RP-2014 mortality tables
Other information	None

Suburban Mobility Authority for Regional Transportation

Notes to Required Supplemental Information

June 30, 2020 and 2019

Pension Information

Changes in Assumptions

Amounts reported in 2015 reflect a change in inflation rates from 3.0 to 4.0 percent in 2014 to 3.25 percent in 2015. In addition, the assumed salary increases also changed from 4.5 to 3.75 percent in 2014 and 2015, respectively. The investment rate of return went from 8.25 percent in 2014 to 8.00 percent in 2015. Lastly, the 2014 mortality rates were based on the 1994 Group Annuity Mortality table of a 50 percent male and 50 percent female blend. For disabled retirees, the regular mortality table was used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members. In 2015, the mortality rates were updated based on mortality experience of nondisabled plan members with a 50 percent male and 50 percent female blend of the following tables:

1. The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105 percent
2. The RP-2014 Employee Mortality Tables
3. The RP-2014 Juvenile Mortality Tables

Amounts reported in 2019 reflect a reduction in the assumed investment rate of return from 8.00 percent to 7.60 percent and a reduction in the assumption for salary increases from 3.75 percent to 3.00 percent.

OPEB Information

Changes in Assumptions

Amounts reported in 2019 reflect a change in the mortality tables from the RP-2000 mortality tables projected 20 years with U.S. Projection Scale BB to the RP-2014 mortality tables. In addition, the investment rate of return (net of investment expenses) decreased from 6.5 to 5.5 percent, and the healthcare cost trend rate decreased from 9.0 to 8.25 percent.

Other Supplemental Information

**Other Supplemental Information
Operating Revenue Schedule**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Passenger fares	\$ 2,783,060	\$ 4,572,484	\$7,355,544
Contract fares	23,438	33,042	56,480
Advertising	241,511	567,346	808,857
Rental of buildings or other property	10,985	49,584	60,569
Gain/Loss from the sale of capital assets	-	-	-
Other nontrans. revenue	4,442	212,470	216,912
Other local contracts - Mun. Cr.	-	-	-
Other local contracts - Com. Cr.	69,249	187,041	256,290
Total operating revenue	<u>\$ 3,132,685</u>	<u>\$ 5,621,967</u>	<u>\$8,754,652</u>

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Operating Revenue Schedule**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Passenger fares	\$ 8,798,185	\$ 2,783,060	\$ 11,581,245
Contract fares	86,571	23,438	110,009
Advertising	541,159	241,511	782,670
Rental of buildings or other property	53,234	10,985	64,219
Gain/Loss from the sale of capital assets	-	-	-
Other nontrans. revenue	4,309	4,442	8,751
Other local contracts - Mun. Cr.	-	-	-
Other local contracts - Com. Cr.	204,112	69,249	273,361
Total revenue	\$ 9,687,570	\$ 3,132,685	\$ 12,820,255

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**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Local Revenue Schedule**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Taxes levied directly	\$ 18,112,701	\$ 56,895,075	\$ 75,007,776
Local community Stabilization	-	2,051,127	2,051,127
Other local contracts	-	-	-
Total revenue	\$ 18,112,701	\$ 58,946,202	\$ 77,058,903
Interest Income	\$ 685,903	\$ 1,167,739	\$ 1,853,642
Refunds and Credits	\$ 1,069	\$ 1,283,457	\$ 1,284,526

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**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Local Revenue Schedule**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Taxes levied directly	\$ 58,799,265	\$ 18,112,701	\$ 76,911,966
Local community Stabilization	2,354,563	-	2,354,563
Other local contracts	-	-	-
Total revenue	\$ 61,153,828	\$ 18,112,701	\$ 79,266,529
Interest Income	\$ 1,757,949	\$ 685,903	\$ 2,443,852
Other non-trans Revenue	\$ 275,389	\$ -	\$ 275,389
Refunds and Credits	\$ 490,546	\$ 1,069	\$ 491,615

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**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
State Operating Assistance	\$ 8,931,225	\$ 21,378,933	\$ 30,310,158
Other local revenue	-	-	-
Line-item municipal credit	407,634	1,222,906	1,630,540
Mun. Cr. special appropriation	407,634	1,222,906	1,630,540
Other MDOT/BPT contracts and reimb. - Reimb for section 5309 program admin	-	-	-
State Preventive Maintenance (NF Mobility Mgt)	250,000	751,061	1,001,061
Subtotal SMART State	<u>9,996,493</u>	<u>24,575,806</u>	<u>34,572,299</u>
Pass-through State Act 51:			
Act 51 Prior Year Adj	-	-	-
Bedford	32,283	81,165	113,448
Bedford (prior year)	-	16,431	16,431
LETC Urban and Non-Urban	146,715	1,629,030	1,775,745
LETC Urban and Non-Urban (prior year)	-	83,926	83,926
Royal Oak Township	1,365	8,569	9,934
Royal Oak Township (prior year)	-	500	500
Total Pass-through State Act 51	<u>180,363</u>	<u>1,819,621</u>	<u>1,999,984</u>
Other state pass-through grants:			
Specialized Service Grant FY 2019	-	-	-
Specialized Service Grant FY 2020	196,951	691,722	888,673
JARC PASS THRU 2012-0170 P21	-	48,778	48,778
MOBILITY MGT 2012-0130 P12	14,717	69,469	84,187
MOBILITY MGT 2012-0170 P38	-	581	581
NOTA JARC Non-Urban 2017-0130 P10	-	117,474	117,474
NOTA JARC Non-Urban 2012-0130 P16	-	153,103	153,103
NOTA New Freedom 2017-0130 P14	37,500	-	37,500
NOTA New Freedom 2017-0130 P20	-	60,000	60,000
Total other state pass-through grants	<u>249,168</u>	<u>1,141,128</u>	<u>1,390,296</u>
Grand total state revenue per F/S	<u>\$ 10,426,024</u>	<u>\$ 27,536,555</u>	<u>\$ 37,962,579</u>

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue (Continued)**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Preventive maintenance -	\$ 1,000,000	\$ 3,000,000	\$ 4,000,000
Planning/capital cost of contracting - FY 2019 UWP -	101,577	340,014	441,591
CARES Act	-	6,000,000	6,000,000
Reimb. for JARC Admin	4,572	1,071	5,642
Reimb. for New Freedom Admin.	8,832	93,197	102,030
Reimb. for section 5309 program admin	-	-	-
Subtotal SMART federal	<u>1,114,981</u>	<u>9,434,281</u>	<u>10,549,263</u>
Other federal pass-through grants:			
Section 5307 Lake Erie	130,500	380,750	511,250
Section 5310 PM	-	4,243	4,243
Section 5311 Lake Erie	61,320	253,304	314,624
JARC	-	48,778	48,778
New Freedom	152,699	1,420,480	1,573,179
CMAQ Grant	-	-	-
Total pass-through federal	<u>344,519</u>	<u>2,107,555</u>	<u>2,452,074</u>
Grand total federal revenue per F/S	<u>\$ 1,459,500</u>	<u>\$ 11,541,837</u>	<u>\$ 13,001,337</u>
Grand total state and federal	<u>\$ 11,885,525</u>	<u>\$ 39,084,041</u>	<u>\$ 50,969,566</u>

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
State Operating Assistance	\$ 27,371,173	\$ 8,931,225	\$ 36,302,398
Other local revenue	-	-	-
Line-item municipal credit	1,222,906	407,634	1,630,540
Mun. Cr. Special Appropriation	1,222,906	407,634	1,630,540
Other MDOT/BPT contracts and reimb. -			
Reimb for section 5309 program admin	5,000	-	5,000
State Preventive Maintenance (NF Mobility Mgt)	1,004,849	250,000	1,254,849
Subtotal SMART state	30,826,833	9,996,493	40,823,326
Pass-through State Act 51:			
Bedford	87,636	32,283	119,919
Bedford (prior year)	-	-	-
LETC Urban and Non-Urban	1,373,368	146,715	1,520,083
LETC Urban and Non-Urban (prior year)	-	-	-
Royal Oak Township	-	1,365	1,365
Royal Oak Township (prior year)	10,315	-	10,315
Total pass-through State Act 51	1,471,319	180,363	1,651,682
Other state pass-through grants:			
Specialized Service Grant FY 2019	590,868	-	590,868
Specialized Service Grant FY 2020	-	196,951	196,951
JARC PASS THRU 2012-0170 P21	56,154	-	56,154
MOBILITY MGT 2012-0170 P20	-	14,717	14,717
MOBILITY MGT 2012-0170 P38	96,925	-	96,925
NOTA New Freedom 2017-0130 P14	-	37,500	37,500
Total other state pass-through grants	743,947	249,168	993,115
Grand total state revenue per F/S	\$ 33,042,099	\$ 10,426,024	\$ 43,468,123

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue (Continued)**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Preventive maintenance -	\$ 4,000,000	\$ 1,000,000	\$ 5,000,000
Planning/capital cost of contracting -			
FY 2019 UWP	589,125	-	589,125
FY 2020 UWP	-	101,577	101,577
CARES Act	-	-	-
Reimb. for JARC Admin	13,801	4,572	18,373
Reimb. for New Freedom Admin.	39,331	8,832	48,163
Reimb. for section 5309 program admin	19,999	-	19,999
Subtotal SMART federal	<u>4,662,256</u>	<u>1,114,981</u>	<u>5,777,237</u>
Other federal pass-through grants:			
Section 5307 Lake Erie	450,267	130,500	580,767
Section 5310 PM	26,152	-	26,152
Section 5311 Lake Erie	157,549	61,320	218,869
JARC	56,154	-	56,154
New Freedom	1,550,915	152,699	1,703,614
CMAQ Grant	1,040,000	-	1,040,000
Total pass-through federal	<u>3,281,037</u>	<u>344,519</u>	<u>3,625,556</u>
Grand total federal revenue per F/S	<u>\$ 7,943,293</u>	<u>\$ 1,459,500</u>	<u>\$ 9,402,793</u>
Grand total state and federal	<u>\$ 40,985,392</u>	<u>\$ 11,885,525</u>	<u>\$ 52,870,917</u>

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Labor - Operators S&W	\$ 5,985,561	\$ 14,640,655	\$ 20,626,216
Labor - Other S&W	4,301,303	13,164,795	17,466,098
Labor - Dispatchers S&W	1,175,331	9,155,051	10,330,382
Other fringe benefits - total fringes	4,317,376	10,221,383	14,538,759
Pensions - Defined contribution	7,741	14,561	22,302
Pensions - Defined benefit	6,670,460	4,377,194	11,047,654
Other postemployment benefits (OPEB)	1,575,000	5,955,677	7,530,677
Advertising fees	34,111	310,378	344,489
Audit cost	111,900	39,700	151,600
Other services	667,772	2,506,272	3,174,044
Fuel and lubricants	1,485,696	3,239,017	4,724,713
Tires and tubes	212,410	549,904	762,314
Other materials and supplies	1,190,682	2,968,569	4,159,251
Utilities	294,841	715,198	1,010,039
Casualty and liab. costs	1,576,684	4,310,357	5,887,041
Other insurance	16,263	54,289	70,552
Purchased transportation service	-	-	-
Pass-throughs that are expensed -	1,405,973	7,698,522	9,104,495
Community Credits	960,060	2,880,182	3,840,242
Community Transit	48,147	144,453	192,600
Nankin/Richmond Lenox/CBS Bloomfield Hills	80,382	241,154	321,536
Travel, meetings, and training	22,660	29,033	51,693
Loss on disposal of asset	(54,418)	(39,385)	(93,803)
Other miscellaneous expenses	86,825	552,823	639,648
Leases and rentals	100,075	302,911	402,986
Depreciation	645,596	16,871,556	17,517,152
Total expenses	32,918,431	100,904,248	133,822,679

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Less ineligible expenses:			
Ineligible refunds and credits	\$ 1,069	\$ 1,283,457	\$ 1,284,526
Other ineligible state contracts	407,634	1,222,906	1,630,540
Ineligible depreciation	-	17,258,655	17,258,655
Municipal credits	407,634	1,222,906	1,630,540
Unused community credits	69,249	187,041	256,290
Ineligible non-trans exp	4,442	212,470	216,912
Ineligible loss on disposal	(54,418)	(39,385)	(93,803)
Local contracts	-	-	-
Preventive maintenance (MI-XX-XXXX)	1,250,000	3,751,061	5,001,061
Planning/capital cost of contracting	101,577	340,014	441,591
Other ineligible federal/state/local:			
Reimb. for JARC Admin MI-XX-XXXX	4,572	1,071	5,642
Reimb. for New Freedom Admin. MI-XX-XXXX	8,832	93,197	102,030
Other ineligible state contracts:			
Pass-Thru Ineligibles	590,705	5,718,088	6,308,793
New Freedom	-	-	-
State preventive maintenance			
Ineligible association dues	-	-	-
Ineligible pension	0	(2,152,818)	(2,152,817)
Ineligible OPEB	(1,684,310)	(4,230,354)	(5,914,664)
Other ineligibles	-	-	-
Total ineligibles	1,106,986	24,868,310	25,975,296
Total eligible expenses	\$ 31,811,445	\$ 76,035,939	\$ 107,847,383

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Pass-throughs that are expensed:			
Lake Erie	370,818	2,444,606	2,815,424
Municipal credit - Formula	407,634	1,222,906	1,630,540
Municipal credit - Line Item	407,634	1,222,906	1,630,540
Other state subsidized serv.:			
Specialized services	196,951	691,722	888,673
Royal Oak Twp	1,365	9,069	10,434
Contra SMART Paid Expense	(183,345)	183,345	-
NOTA JARC Non-Urban	-	270,577	270,577
NOTA New Freedom Non-Urban	75,000	120,000	195,000
JARC - New Freedom Urban	-	97,557	97,557
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Assistant Urban	187,660	2,276,533	2,464,193
New Freedom Mobility Management Urban	73,586	350,251	423,838
New Freedom Local Operating Expense Urban	(131,330)	(1,196,254)	(1,327,584)
New Freedom Highland/Milford PM	-	5,303	5,303
	\$ 1,405,973	\$ 7,698,522	\$ 9,104,495
Ineligible pass-throughs:			
Lake Erie	\$ 370,818	\$ 2,444,606	\$ 2,815,424
Municipal credit - Formula Admin Fee	407,634	1,222,906	1,630,540
Municipal credit - Line Item	407,634	1,222,906	1,630,540
Other state subsidized serv.:			
Specialized services	196,951	691,722	888,673
Royal Oak Twp	1,365	9,069	10,434
Contra SMART Paid Expense	(183,345)	183,345	-
NOTA JARC Non-Urban	-	270,577	270,577
NOTA New Freedom Non-Urban	75,000	120,000	195,000
JARC - New Freedom Urban	-	97,557	97,557
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Assistant Urban	187,660	2,276,533	2,464,193
New Freedom Mobility Management Urban	73,586	350,251	423,838
New Freedom Local Operating Expense Urban	(131,330)	(1,196,254)	(1,327,584)
New Freedom Highland/Milford PM	-	5,303	5,303
	\$ 1,405,973	\$ 7,698,522	\$ 9,104,495

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Labor - Operators S&W	\$ 17,545,232	\$ 5,985,561	\$ 23,530,793
Labor - Other S&W	12,780,094	4,301,303	17,081,397
Labor - Dispatchers S&W	3,417,629	1,175,331	4,592,960
Other fringe benefits	10,329,618	4,317,376	14,646,994
Pensions - Defined contribution	21,008	7,741	28,749
Pensions - Defined benefit	11,247,336	6,670,460	17,917,796
Other postemployment benefits (OPEB)	7,276,470	1,575,000	8,851,470
Advertising fees	201,870	34,111	235,981
Audit cost	52,885	111,900	164,785
Other services	2,937,734	667,772	3,605,506
Fuel and lubricants	4,634,523	1,485,696	6,120,219
Tires and tubes	455,622	212,410	668,032
Other materials and supplies	3,299,296	1,190,682	4,489,978
Utilities	846,872	294,841	1,141,713
Casualty and liab. costs	4,195,794	1,576,684	5,772,478
Other insurance	48,304	16,263	64,567
Purchased transportation service			
Pass-throughs that are expensed -	6,466,217	1,405,973	7,872,190
Community Credits	2,812,678	960,060	3,772,738
Community Transit	-	48,147	48,147
Nankin/Richmond Lenox/CBS Bloomfield Hills	379,917	80,382	460,299
Travel, meetings, and training	36,314	22,660	58,974
Loss on disposal of asset	337,449	(54,418)	283,031
Other miscellaneous expenses	55,714	86,825	142,539
Leases and rentals	320,969	100,075	421,044
Depreciation	15,584,363	645,596	16,229,959
Total expenses	105,283,908	32,918,431	138,202,339

**Other Supplemental Information
SMART Expense Schedule (Continued)**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Less ineligible expenses:			
Ineligible refunds and credits	\$ 490,546	\$ 1,069	\$ 491,615
Other ineligible state contracts	5,625	407,634	413,259
Ineligible depreciation	15,487,315	-	15,487,315
Municipal credits	2,445,812	407,634	2,853,446
Unused community credits	204,112	69,249	273,361
Ineligible non-trans exp	278,443	4,442	282,885
Ineligible loss on disposal	337,449	(54,418)	283,031
Local contracts	-	-	-
Preventive maintenance (MI-90-0591)	5,004,849	1,250,000	6,254,849
Planning/Cap. cost of contracting	589,125	101,577	690,702
Other ineligible federal/state/local:			-
Reimb. for JARC Admin	13,801	4,572	18,373
Reimb. for New Freedom Admin.	39,331	8,832	48,164
Other ineligible state contracts:			-
Pass-through ineligibles	4,020,405	590,705	4,611,110
New Freedom	-	-	-
State preventive maintenance	-	-	-
Ineligible pension	4,655,811	0	4,655,812
Ineligible OPEB	(3,079,803)	(1,684,310)	(4,764,113)
Other ineligibles	-	-	-
Total ineligibles	30,492,821	1,106,986	31,599,808
Total eligible expenses	\$ 74,791,086	\$ 31,811,445	\$ 106,602,531

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

State Year Ended September 30, 2019

Description	Jun 30, 2019	Sep 30, 2019	Total
Pass-throughs that are expensed:			
Lake Erie	2,010,053	370,818	2,380,871
Mun. Cr. - Formula	1,222,906	407,634	1,630,540
Mun. Cr. - Line Item	1,222,906	407,634	1,630,540
Other state subsidized serv.:			
Specialized services	590,868	196,951	787,819
Royal Oak Twp	10,315	1,365	11,680
Contra SMART Paid Expense	(520,953)	(183,345)	(704,298)
NOTA JARC Non-Urban Expense	111,997	-	111,997
NOTA New Freedom Non-Urban	102,896	75,000	177,896
JARC - New Freedom Urban	112,308	-	112,308
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Expense Urban	2,044,721	187,660	2,232,381
New Freedom Mobility Management Urban	477,110	73,586	550,696
New Freedom Local Operating Expense Urban	(943,155)	(131,330)	(1,074,485)
New Freedom Highland/Milford PM	24,244	-	24,244
Pass-throughs that are expensed	\$ 6,466,217	\$ 1,405,973	\$ 7,872,190
Ineligible pass-throughs:			
Lake Erie	2,010,053	370,818	2,380,871
Mun. Cr. - Formula	1,222,906	407,634	1,630,540
Mun. Cr. - Line Item	1,222,906	407,634	1,630,540
Other state subsidized serv.:			
Specialized services	590,868	196,951	787,819
Royal Oak Twp	10,315	1,365	11,680
Contra SMART Paid Expense	(520,953)	(183,345)	(704,298)
NOTA JARC Non-Urban Expense	111,997	-	111,997
NOTA New Freedom Non-Urban	102,896	75,000	177,896
JARC - New Freedom Expense Urban	112,308	-	112,308
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Expense Urban	2,044,721	187,660	2,232,381
New Freedom Mobility Management Urban	477,110	73,586	550,696
New Freedom Local Operating Expense Urban	(943,155)	(131,330)	(1,074,485)
New Freedom Highland/Milford PM	24,244	-	24,244
Ineligible pass-throughs	\$ 6,466,217	\$ 1,405,973	\$ 7,872,190

**Other Supplemental Information
SMART Expense Schedule**

Year Ended June 30, 2020

Expense incurred:	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Pension - Defined benefit	\$ 6,670,460	\$ 4,377,194	\$ 11,047,654
OPEB - Defined benefit	1,575,000	5,955,677	7,530,677
Total	\$ 8,245,460	\$ 10,332,871	\$ 18,578,331

Amounts actually paid:	Jul 1, 2019 thru Sep 30, 2019	Oct 1, 2019 thru Jun 30, 2020	Total
Pension - Defined benefit	\$ 6,670,460	\$ 6,530,011	\$ 13,200,471
OPEB - Defined benefit	3,259,310	10,186,031	13,445,341
Total	\$ 9,929,770	\$ 16,716,042	\$ 26,645,812

**Other Supplemental Information
SMART Expense Schedule**

State Year Ended September 30, 2019

	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Expense incurred:			
Pension - Defined benefit	\$11,247,336	\$ 6,670,460	\$ 17,917,796
OPEB - Defined benefit	7,276,470	1,575,000	8,851,470
Total	\$ 18,523,806	\$ 8,245,460	\$ 26,769,266
	Oct 1, 2018 thru Jun 30, 2019	Jul 1, 2019 thru Sep 30, 2019	Total
Amounts actually paid:			
Pension - Defined benefit	\$6,591,525	\$ 6,670,460	\$ 13,261,985
OPEB - Defined benefit	10,356,273	3,259,310	13,615,583
Total	\$ 16,947,798	\$ 9,929,770	\$ 26,877,568
Current year ineligible expense			
Pension - Defined benefit			\$ (4,655,812)
OPEB - Defined benefit			4,764,113
Total			\$ 108,302
Prior year carryforward - September 30, 2018			
Pension - Defined benefit			(1,206,680)
OPEB - Defined benefit			(8,582,364)
Total			\$ (9,789,044)
Carryforward - September 30, 2019			
Pension - Defined benefit			(5,862,491)
OPEB - Defined benefit			(3,818,251)
Total			\$ (9,680,742)

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Schedule of Financial Assistance**

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
U.S. DEPARTMENT OF TRANSPORTATION:											
DIRECT ASSISTANCE:											
CAPITAL ASSISTANCE	80 % - 20 %	FY2009	SECTION 5309	20.500	MI-04-0080	N/A	200,000		\$ -	\$ -	\$ 60,891
CAPITAL ASSISTANCE	80 % - 20 %	FY2009	SECTION 5309	20.500	MI-04-0091	N/A	15,000,000	329,772	329,772	-	(156)
CAPITAL ASSISTANCE	80 % - 20 %	FY2009	SECTION 5309	20.500	MI-04-0080	N/A	37,720		-	-	17,721
CAPITAL ASSISTANCE	80 % - 20 %		SECTION 5339	20.526	MI-34-0005	N/A	6,920,868	223,835	223,835	-	4,450,100
CAPITAL ASSISTANCE FY16 (TRAMS)	80 % - 20 %	FY2016	SECTION 5339	20.507	MI-34-0022	MI-2016-025-05	34,262	2,562	2,562	-	24,921
CAPITAL ASSISTANCE FY16 (TRAMS)	80 % - 20 %	FY2016	SECTION 5339	20.507	MI-34-0022	MI-2016-025-09	3,961,269	1,956,443	1,956,443	-	(1,956,443)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5339	20.507	MI-34-0022	MI-2016-025-13	142,144	122,764	122,764	-	19,380
CAPITAL ASSISTANCE FY18-19	80 % - 20 %	FY2018/19	SECTION 5339	20.507	MI-34-0046	2017-0130 P11	5,404,182	1,891,629	1,891,629	-	3,512,553
CAPITAL ASSISTANCE FY18-19	80 % - 20 %	FY2018/19	SECTION 5339	20.507	MI-34-0046	2017-0130 P11	340,203		-	-	340,203
TOTAL							32,040,648	4,527,005	4,527,005	-	6,469,170
PLANNING AND TECHNICAL STUDIES UWP PROGRAM	80 % - 20 %	FY2011	SECTION 5303	20.505	MI-80-X006	N/A	318,806	\$ 346,100	\$ 346,100	\$ -	\$ (346,100)
TRANSIT ASSET MGT	80 % - 20 %		SECTION 5303	20.505	2015-0009		130,828	95,490	95,490		(393,930)
OPER REVIEW	80 % - 20 %		SECTION 5303	20.505	2015-0009		28,655		-		(148,345)
							478,289	441,590	441,590	-	(888,375)

Other Supplemental Information
Schedule of Financial Assistance (Continued)

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
U.S DEPARTMENT OF TRANSPORTATION (CONTINUED):											
CAPITAL ASSISTANCE	80 % - 20 %	FY2012	SECTION 5307	20.507	MI-90-0756	2007-0294 Z38	15,612,066	\$ 8,616	\$ 8,616	\$ -	\$ 3,838,268
CAPITAL ASSISTANCE	80 % - 20 %	FY2012	SECTION 5307	20.507	MI-90-0756	2007-0294 Z39	492,476	-	-	-	52,852
CAPITAL ASSISTANCE	80 % - 20 %	FY2013	SECTION 5307	20.507	MI-90-0678		22,231,592	2,877,424	2,877,424	-	(9,815,335)
CAPITAL ASSISTANCE	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-02	7,202,755	3,826,189	3,826,189	-	2,306,752
CAPITAL ASSISTANCE (preventative maint)	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-03	4,000,000	-	-	-	-
CAPITAL ASSISTANCE	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-04	501,192	488,042	488,042	-	(1,142,930)
CAPITAL ASSISTANCE	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-06	104,339	143,442	143,442	-	(55,982)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-10	8,544,000	6,308,654	6,308,654	-	(5,815,441)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-11	120,000	-	-	-	(100,550)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	MI-2016-025-08	434,698	225,004	225,004	-	209,694
OPERATING ASSISTANCE (MONROE) FY18	80 % - 20 %	FY2018	SECTION 5307	20.507	MI-XX-XXXX	MI-XXXX-XXX-XX	500,000	-	-	-	(266,503)
OPERATING ASSISTANCE (MONROE) FY17	80 % - 20 %	FY2017	SECTION 5307	20.507	MI-90-0777	MI-2016-025-00	558,767	-	-	-	153,736
CAPITAL ASSISTANCE (CMAQ)	80 % - 20 %		CMAQ	20.507	MI-95-0077		11,575,989	-	-	-	10,683,856
CAPITAL ASSISTANCE FY16/17 (CMAQ)	80 % - 20 %	FY2016/17	CMAQ	20.507	MI-95-0122	MI-2016-025-01	7,975,200	252,101	252,101	-	73,005
CAPITAL ASSISTANCE FY17-18-19	80 % - 20 %	FY2018/19	SECTION 5307	20.507	MI-2018-018-01		2,336,490	-	-	-	1,296,490
CAPITAL ASSISTANCE FY17-18-19	80 % - 20 %	FY2018/19	SECTION 5307	20.507	MI-2018-018-03		10,000,000	4,000,000	4,000,000	-	4,000,000
CAPITAL ASSISTANCE FY18-19 (CMAQ)	80 % - 20 %	FY2018/19	CMAQ	20.507	MI-90-0079	MI-2018-018-03	35,571,136	6,708,213	6,708,213	-	28,862,923
CAPITAL ASSISTANCE FY18-19 (CMAQ)	80 % - 20 %	FY2018/19	CMAQ	20.507	MI-90-0079	MI-2018-018-04	2,022,731	101,337	101,337	-	1,921,394
OPERATING ASSISTANCE (MONROE) FY19	80 % - 20 %	FY2019	SECTION 5307	20.507	MI-XX-XXXX	MI-2018-018-04	484,250	92,750	92,750	-	391,500
OPERATING ASSISTANCE (MONROE) FY20	80 % - 20 %	FY2020	SECTION 5307	20.507	MI-XX-XXXX	MI-2020-061-04	503,724	418,500	418,500	-	85,224
OPERATING ASSISTANCE(SMART) FY20 CARES	80 % - 20 %	FY2020	SECTION 5307	20.507		MI-2020-052-00	30,866,881	6,000,000	6,000,000	-	24,866,881
TOTAL							\$ 161,638,286	\$ 31,450,272	\$ 31,450,272	\$ -	\$ 61,545,834
MICHIGAN DEPARTMENT OF TRANSPORTATION:											
SECTION 5310- CAPITAL	100 % STATE		SECTION 5310	20.513	MI-XX-XXXX	2017-0130 P5	357,000	\$ 354,180	\$ 354,180	\$ -	\$ 2,820
SECTION 5310	100 % STATE		SECTION 5310	20.521	N/A	2017-0130 P6	102,896	-	-	-	51,448
SECTION 5311	100 % STATE		SECTION 5311	20.516	MI-2017-030	2017-0130 P10	117,474	117,474	117,474	-	-
SECTION 5311	100 % STATE		SECTION 5311	20.516	MI-2017-030	2017-0130 P10	70,000	65,033	65,033	-	4,967
SECTION 5310	100 % STATE		SECTION 5310	20.521	MI-2018-033	2017-0130 P14	37,500	37,500	37,500	-	-
SECTION 5311	100 % STATE		SECTION 5311	20.516	MI-2017-030	2017-0130 P16	180,640	153,103	153,103	-	27,537
SECTION 5310	100 % STATE		SECTION 5310	20.513	MI-2019-037	2017-0130 P20	60,000	60,000	60,000	-	-
SECTION 5310	100 % STATE		SECTION 5310	20.513	MI-2019-037	2017-0130 P21	312,000	195,510	195,510	-	116,490
COMBINED STATE CONTRACTS							\$ 1,237,510	\$ 982,800	\$ 982,800	\$ -	\$ 203,262
TOTAL CAPITAL ASSISTANCE							\$ 195,394,733	\$ 37,401,667	\$ 37,401,667	\$ -	\$ 67,329,891

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Schedule of Financial Assistance (Continued)**

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
ACCESS TO JOBS (FEDERAL SHARE):											
SECTION 5316 CAPITAL SMART			SECTION 5316	20.516	MI-37-0050		305,980		\$ -	\$ -	\$ 211,979
JARC PROGRAM OPERATING			SECTION 5316	20.516	MI-37-4050		1,894,878		-	-	1,344,218
JARC PROGRAM ADMIN		FY 2008	SECTION 5316	20.516	MI-37-6043	N/A	214,639	5,642	5,642	-	(8,726)
SMART JARC PROGRAM OPERATING			SECTION 5316	20.516	MI-37-4050		947,439	48,778	48,778	-	898,661
TOTAL							\$ 3,362,936	\$ 54,420	\$ 54,420	\$ -	\$ 2,446,132
NEW FREEDOM FEDERAL SHARE:											
SECTION 5317 NEW FREEDOM PROGRAM ADMIN			SECTION 5307	20.521	MI-57-6018	N/A	147,999	\$ 2,413	\$ 2,413	\$ -	\$ (20,801)
SECTION 5317 NEW FREEDOM CAPITAL			SECTION 5307	20.521	MI-57-0024	N/A	109,718		-	-	80,379
SECTION 5317 NEW FREEDOM PROGRAM ADMIN			SECTION 5307	20.521	MI-57-6024	N/A	51,247	13,026	13,026	-	6,165
SECTION 5310 NEW FREEDOM PROGRAM ADMIN			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	50,000		-	-	7,209
SECTION 5310 NEW FREEDOM OPERATING			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	1,500,000	73,396	73,396	-	141,885
SECTION 5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	320,000	63,313	63,313	-	(79,062)
SECTION 5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	2,907,322	162,581	162,581	-	566,295
SECTION 5310 NEW FREEDOM CAPITAL			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	1,442,708		-	-	(1,304,325)
SECTION 5310 NEW FREEDOM CAPITAL			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	25,000		-	-	(2,379)
SECTION 5310 NEW FREEDOM OPERATING			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	1,162,000		-	-	(239,949)
SECTION 5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	302,000		-	-	59,252
5310 NEW FREEDOM CAPITAL			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	4,074,751	1,257,284	1,257,284	-	4,074,751
SMART 5310 PROGRAM ADMIN			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	49,169	11,866	11,866	-	49,169
5310 NEW FREEDOM OPERATING			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	2,017,000	414,057	414,057	-	2,017,000
5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	532,000	2,324	2,324	-	532,000
5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-2016-018-03	2012-0170 P20	934,513		-	-	934,513
SECTION 5310 PREVENTATIVE MAINTENANCE			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	63,280		-	-	51,471
5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-2018-020-01	2012-0170 P38	28,881,180	2,209,320	2,209,320	-	262,435
5310 NEW FREEDOM PREVENTATIVE MAINT			SECTION 5310	20.513	MI-2018-020-01	2012-0170 P38	18,856	4,243	4,243	-	14,613
SECTION 5310 PREVENTATIVE MAINTENANCE			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	23,233		-	-	8,889
SMART 5310 PROGRAM ADMIN			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	50,000	11,412	11,412	-	33,340
5310 NEW FREEDOM OPERATING			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	1,573,630	746,656	746,656	-	700,305
5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	843,220	336,746	336,746	-	448,795
5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-2020-032-01	2017-0130 P28	553,168	116,287	116,287	-	436,881
TOTAL							\$ 47,631,994	\$ 5,424,924	\$ 5,424,924	\$ -	\$ 8,778,831

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Schedule of Financial Assistance (Continued)**

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
PASSED THROUGH MDOT:											
OPERATING ASSIST. - SEC.5311	100 % STATE	FY2017	SECTION 5311	20.516	MI-XX-XXX	2017-0130 P07	180,640		\$ -		\$ 124,641
OPERATING ASSIST. LET- SEC 5311 (2018)	100 % STATE	FY2017	SECTION 5311	20.509	MI-18-0055	2017-0130 P09	68,281		-	-	(167,219)
OPERATING ASSIST. LET- SEC 5311 (2019)	100 % STATE	FY2019	SECTION 5311	20.509	MI-18-0055	2017-0130 P15	225,542	61,320	61,320	-	6,673
OPERATING ASSIST. LET- SEC 5311 (2020)	100 % STATE	FY2020	SECTION 5311	20.509	MI-18-0055	2017-0130 P22	440,500	253,304	253,304	-	187,196
TOTAL							\$ 914,963	\$ 314,624	\$ 314,624	\$ -	\$ 151,291
SUBTOTAL							51,909,893	5,793,968	5,793,968	-	11,376,254
MICHIGAN DEPARTMENT OF TRANSPORTATION:											
OPERATING ASSISTANCE - ACT 51 SMART URBAN				N/A			-	-	-	31,940,698	-
MUNICIPAL CREDIT SPECIAL APPROPRIATION				N/A			-	-	-	1,630,540	-
OPERATING ASSISTANCE - ACT 51 BEDFORD URBAN				N/A			-	-	-	129,879	-
OPERATING ASSISTANCE - ACT 51 LETC COMBINED				N/A			-	-	-	1,859,671	-
OPERATING ASSISTANCE - FY07 SECTION 5304				N/A		2007-0294 Z8	-	-	-	-	-
ROYAL OAK TWP NEW SERVICES				N/A			-	-	-	10,434	-
OTHER STATE SERVICES REVENUE				N/A			-	-	-	1,502,684	-
SPECIALIZED SERVICES				N/A			-	-	-	-	-
SPECIALIZED SERVICES		FY2020		N/A		2007-0294-ZXX	-	-	-	888,673	-
TOTAL							-	-	-	37,962,579	-
TOTAL OPERATING ASSISTANCE							51,909,893	5,793,968	5,793,968	37,962,579	11,376,254
GRAND TOTAL - ALL ASSISTANCE							\$ 247,304,626	\$ 43,195,635	\$ 43,195,635	\$ 37,962,579	\$ 78,706,145

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses**

Year Ended June 30, 2020

Description	Community Based			Royal Oak Twp.		
	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total Community Based	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total Royal Oak
Revenue:						
Fares	\$ 151,499	\$ 276,618	\$ 428,117	\$ 1,267	\$ 1,786	\$ 3,053
Other Non-trans Revenue	-	-	-	-	94	94
Taxes levied directly	52,606	1,408,284	1,460,890	-	-	-
Local operating assistance:						
General Fund/Property tax	196,872	1,430,777	1,627,648	-	-	-
Other	-	-	-	-	5,876	5,876
Other local contracts:						
Mun. Cr.	581,683	1,712,319	2,294,002	600	1,800	2,400
Comm. Cr.	752,935	1,434,150	2,187,085	1,710	6,039	7,749
Other MDOT/BPT contracts and reimb.:						
Act 51	100,121	24,165	124,286	7,662	11,349	19,011
Other Grants	258	258	517	-	-	-
Specialized services	13,550	71,254	84,804	-	-	-
Other federal transit contracts and reiml	42,707	142,933	185,640	-	-	-
Refunds and rebates	-	-	-	-	-	-
Interest income	9,224	37,156	46,380	80	-	80
Total revenue	\$ 1,901,456	\$ 6,537,913	\$ 8,439,369	\$ 11,319	\$ 26,944	\$ 38,263
Total operating expenses	\$ 2,346,751	\$ 5,760,397	\$ 8,107,148	\$ 11,926	\$ 33,496	\$ 45,422
Ineligible expenses:						
SMART Municipal Credits	581,683	1,712,319	2,294,002	600	1,800	2,400
SMART Community Credits	752,935	1,434,150	2,187,085	1,710	6,039	7,749
Act 51	100,121	24,165	124,286	7,662	11,349	19,011
Other MDOT/BPT contracts and reimb.	258	258	517	-	-	-
State specialized services	13,550	71,254	84,804	-	-	-
Other federal contracts and reimb	42,707	142,933	185,640	-	-	-
Depreciation	-	-	-	-	-	-
Total ineligible	1,491,255	3,385,079	4,876,334	9,972	19,188	29,160
Total eligible expenses	\$ 855,496	\$ 2,375,318	\$ 3,230,814	\$ 1,954	\$ 14,308	\$ 16,262

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses (Continued)**

Year Ended June 30, 2020

Description	Mt. Clemens			Nankin		
	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total Mt. Clemens	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total Nankin
	Revenue:					
Fares	\$ 10,702	\$ 34,582	\$ 45,284	\$ 42,720	\$ 128,159	\$ 170,879
Other nontrans. revenue	-	-	-	125,426	376,277	501,703
Taxes levied directly	236,784	83,499	320,283	-	-	-
Local operating assistance:						
General Fund/Property tax	-	-	-	80,384	241,151	321,535
Other	-	274	274	-	-	-
Other local contracts:						
Mun. Cr.	(16,246)	36,376	20,130	63,400	190,200	253,600
Comm. Cr.	-	28,739	28,739	63,135	189,405	252,540
Other MDOT/BPT contracts and reimb. -						
Specialized services	8,661	635	9,296	-	-	-
Other federal transit contracts and reimb.	-	-	-	-	-	-
Refunds and rebates	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Total revenue	\$ 239,901	\$ 184,105	\$ 424,006	\$ 375,065	\$ 1,125,192	\$ 1,500,257
Total operating expenses	\$ 109,428	\$ 300,356	\$ 409,784	\$ 319,334	\$ 958,003	\$ 1,277,337
Ineligible expenses:						
SMART municipal credits	(16,246)	36,376	20,130	63,400	190,200	253,600
SMART community credits	-	28,739	28,739	63,135	189,405	252,540
State specialized services	8,661	635	9,296	-	-	-
Refunds and rebates	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total ineligible	(7,585)	65,750	58,165	126,535	379,605	506,140
Total eligible expenses	\$ 117,013	\$ 234,606	\$ 351,619	\$ 192,799	\$ 578,398	\$ 771,197

**Other Supplemental Information
Other Operating Expenses (Continued)**

Redford Township Year Ended March 31, 2020

Description	Redford Twp.		Total Redford
	1-Apr-19 to 30-Sep-19	1-Oct-19 to 31-Mar-20	
Revenue:			
Fares	\$ 7,836	\$ 6,740	\$ 14,576
Other nontrans. revenue	-	30,000	30,000
Taxes levied directly	7,372	78,481	85,853
Local operating assistance:			
General Fund/Property tax	-	-	-
Other	-	-	-
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	34,745	93,577	128,322
Other MDOT/BPT contracts and reimb. -			
Specialized services	(1,651)	1,650	(1)
Other federal transit contracts and reimb.	705	5,086	5,791
Refunds and rebates	-	-	-
Interest income	-	7,665	7,665
Total revenue	\$ 49,007	\$ 223,199	\$ 272,206
Total operating expenses	\$ 93,395	\$ 185,942	\$ 279,337
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	34,745	93,577	128,322
State specialized services	(1,651)	1,650	(1)
Refunds and rebates	-	-	-
Depreciation	-	-	-
Total ineligible	33,094	95,227	128,321
Total eligible expenses	\$ 60,301	\$ 90,715	\$ 151,016

**Other Supplemental Information
Other Operating Expenses (Continued)**

S.T.A.R. Year Ended March 31, 2020

Description	S.T.A.R.		Total S.T.A.R.
	1-Apr-19 to 30-Sep-19	1-Oct-19 to 31-Mar-20	
Revenue:			
Fares	\$ 340	\$ 1,020	\$ 1,360
Other nontrans. revenue	-	-	-
Taxes levied directly	-	466,895	466,895
Local operating assistance:	-	-	-
General Fund/Property tax	-	113,170	113,170
Other	429	55,159	55,588
Other local contracts:	-	-	-
Mun. Cr.	-	-	-
Comm. Cr.	87,500	(8,708)	78,792
Other MDOT/BPT contracts and reimb. -	-	-	-
Specialized services	10,221	3,370	13,591
Other federal transit contracts and reim	-	-	-
Refunds and rebates	-	-	-
Interest income	1,325	1,375	2,700
Total revenue	\$ 99,815	\$ 632,281	\$ 732,096
Total operating expenses	\$ 283,863	\$ 363,534	\$ 647,397
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	173,176	190,530	363,706
State specialized services	-	-	-
Charter expense	-	-	-
Depreciation	-	-	-
Total ineligible	173,176	190,530	363,706
Total eligible expenses	\$ 110,687	\$ 173,004	\$ 283,691

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses**

State Year Ended September 30, 2019

Description	Community Based			Royal Oak Twp.		
	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total Community Based	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total Royal Oak
	Revenue:					
Fares	\$ 538,059	\$ 151,499	\$ 689,558	\$ 2,204	\$ 1,267	\$ 3,471
Other Non-trans Revenue	-	-	-	-	-	-
Taxes levied directly	791,370	52,606	843,977	-	-	-
Local operating assistance:						
General Fund/Property tax	684,449	196,872	881,321	-	-	-
Other	-	-	-	38,457	-	38,457
Other local contracts:						
Mun. Cr.	1,714,011	581,683	2,295,694	1,800	600	2,400
Comm. Cr.	1,564,260	752,935	2,317,195	5,895	1,710	7,605
Other MDOT/BPT contracts and reimb.:						
Act 51	-	100,121	100,121	16,383	7,662	24,045
Other	148,672	258	148,930	-	-	-
Specialized services	259,080	13,550	272,630	-	-	-
Other federal transit contracts and reim	602,223	42,707	644,930	-	-	-
Interest income	42,116	9,224	51,340	157	80	237
Total revenue	\$ 6,344,240	\$ 1,901,456	\$ 8,245,696	\$ 64,896	\$ 11,319	\$ 76,215
Total operating expenses	\$ 7,117,953	\$ 2,346,751	\$ 9,464,704	\$ 25,304	\$ 11,926	\$ 37,230
Ineligible expenses:						
SMART municipal credits	1,714,011	581,683	2,295,694	1,800	600	2,400
SMART community credits	1,564,260	752,935	2,317,195	5,895	1,710	7,605
Act 51	-	100,121	100,121	16,383	7,662	24,045
Other MDOT/BPT contracts and reimb.	148,672	258	148,930	-	-	-
State specialized services	259,080	13,550	272,630	-	-	-
Other Federal contracts and reimb	597,396	42,707	640,103	-	-	-
Depreciation	360	-	360	-	-	-
Total ineligible	4,283,779	1,491,255	5,775,034	24,078	9,972	34,050
Total eligible expenses	\$ 2,834,174	\$ 855,496	\$ 3,689,670	\$ 1,226	\$ 1,954	\$ 3,180

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses (Continued)**

State Year Ended September 30, 2019

Description	Mt. Clemens			Nankin		
	Oct 1, 2018	Jul 1, 2019	Total Mt. Clemens	Oct 1, 2018	Jul 1, 2019	Total Nankin
	to Jun 30, 2019	to Sep 30, 2019		to Jun 30, 2019	to Sep 30, 2019	
Revenue:						
Fares	\$ 45,030	\$ 10,702	\$ 55,732	\$ 178,688	\$ 42,720	\$ 221,408
Other nontrans. revenue	-	-	-	-	125,426	125,426
Taxes levied directly	308,780	236,784	545,564	-	-	-
Local operating assistance:						
General Fund/Property tax	-	-	-	-	80,384	80,384
Other	-	-	-	235,462	-	235,462
Other local contracts:						
Mun. Cr.	20,130	(16,246)	3,884	190,200	63,400	253,600
Comm. Cr.	28,065	-	28,065	184,968	63,135	248,103
Other MDOT/BPT contracts and reimb. -						
Specialized services	33,784	8,661	42,445	-	-	-
Other federal transit contracts and reimb.						
Refunds and rebates	-	-	-	-	-	-
Interest income	3,276	-	3,276	-	-	-
Total revenue	\$ 439,065	\$ 239,901	\$ 678,966	\$ 789,318	\$ 375,065	\$ 1,164,383
Total operating expenses	\$ 296,782	\$ 109,428	\$ 406,210	\$ 872,057	\$ 319,334	\$ 1,191,391
Ineligible expenses:						
SMART municipal credits	20,130	(16,246)	3,884	190,200	63,400	253,600
SMART community credits	28,065	-	28,065	184,968	63,135	248,103
State specialized services	33,784	8,661	42,445	-	-	-
Refunds and rebates	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total ineligible	81,979	(7,585)	74,394	375,168	126,535	501,703
Total eligible expenses	\$ 214,803	\$ 117,013	\$ 331,816	\$ 496,889	\$ 192,799	\$ 689,688

**Other Supplemental Information
Other Operating Expenses (Continued)**

State Year Ended September 30, 2019

Description	Redford Twp.		Total Redford
	Oct 1, 2018 to 31-Mar-19	1-Apr-19 to 30-Sep-19	
Revenue:			
Fares	\$ 7,168	\$ 7,836	\$ 15,004
Other nontrans. revenue			
Taxes levied directly	92,576	7,372	99,948
Local operating assistance:			
General Fund/Property tax	-	-	-
Other	40,000	-	40,000
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	76,908	34,745	111,653
Other MDOT/BPT contracts and reimb. -			
Specialized services	-	(1,651)	(1,651)
Other federal transit contracts and reimb.	-	705	705
Refunds and rebates	-	-	-
Interest income	7,157	-	7,157
Total revenue	\$ 223,809	\$ 49,007	\$ 272,816
Total operating expenses	\$ 108,941	\$ 93,395	\$ 202,336
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	76,908	34,745	111,653
State specialized services	-	(1,651)	(1,651)
Refunds and rebates	-	-	-
Depreciation	-	-	-
Total ineligible	76,908	33,094	110,002
Total eligible expenses	\$ 32,033	\$ 60,301	\$ 92,334

**Other Supplemental Information
Other Operating Expenses (Continued)**

State Year Ended September 30, 2019

Description	S.T.A.R.		Total S.T.A.R.
	Oct 1, 2018 to 31-Mar-19	1-Apr-19 to 30-Sep-19	
Revenue:			
Fares	\$ 1,635	340	\$ 1,975
Other nontrans. revenue			
Taxes levied directly	457,347	-	457,347
Local operating assistance:			
General Fund/Property tax	-	-	-
Other	42,027	429	42,456
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	55,563	87,500	143,063
Other MDOT/BPT contracts and reimb. -			
Specialized services	(2,191)	10,221	8,030
Other federal transit contracts and reimb.			
Refunds/rebates/insurance proceeds	-	-	-
Interest income	1,180	1,325	2,505
Total revenue	\$ 555,561	\$ 99,815	\$ 655,376
Total operating expenses	\$ 337,985	\$ 283,863	\$ 621,848
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	123,325	173,176	296,501
State specialized services	-	-	-
Charter expense	1,370	-	1,370
Depreciation	-	-	-
Total ineligible	124,695	173,176	297,871
Total eligible expenses	\$ 213,290	\$ 110,687	\$ 323,977

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses – Combined Total**

State Year Ended September 30, 2019

Description	Total Community Based	Total Mt. Clemens	Total Nankin	Total Redford	Total S.T.A.R.	Total Other
Fares	\$ 689,558	\$ 55,732	\$ 221,408	\$ 15,004	\$ 1,975	\$ 983,677
Other Non-trans Revenue	-	-	125,426	-	-	125,426
Taxes levied directly	843,977	545,564	-	99,948	457,347	1,946,836
Local operating assistance:						
General Fund/Property tax	881,321	-	80,384	-	-	961,705
Other	-	-	235,462	40,000	42,456	317,918
Other local contracts:						
Mun. Cr.	2,295,694	3,884	253,600	-	-	2,553,178
Comm. Cr.	2,317,195	28,065	248,103	111,653	143,063	2,848,079
Other MDOT/BPT contracts and reimb.:						
Act 51	100,121	-	-	-	-	100,121
Other	148,930	-	-	-	-	148,930
Specialized services	272,630	42,445	-	(1,651)	8,030	321,454
Other federal transit contracts and reimb.	644,930	-	-	705	-	645,635
Refunds/rebates/insurance proceeds	-	-	-	-	-	-
Interest income	51,340	3,276	-	7,157	2,505	64,278
Total revenue	\$ 8,245,696	\$ 678,966	\$ 1,164,383	\$ 272,816	\$ 655,376	\$ 11,017,237
Total operating expenses	\$ 9,464,704	\$ 406,210	\$ 1,191,391	\$ 202,336	\$ 621,848	\$ 11,886,489
Ineligible expenses:						
SMART municipal credits	2,295,694	3,884	253,600	-	-	2,553,178
SMART community credits	2,317,195	28,065	248,103	111,653	296,501	3,001,517
Act 51	100,121	-	-	-	-	100,121
Other	148,930	-	-	-	-	148,930
State specialized services	272,630	42,445	-	(1,651)	-	313,424
Charter expense	-	-	-	-	1,370	1,370
Refunds/rebates/insurance proceeds	-	-	-	-	-	-
Other federal contracts and reimb	640,103	-	-	-	-	640,103
Depreciation	360	-	-	-	-	360
Total ineligible	5,775,034	74,394	501,703	110,002	297,871	6,759,004
Total eligible expenses	\$ 3,689,670	\$ 331,816	\$ 689,688	\$ 92,334	\$ 323,977	\$ 5,127,485

**Other Supplemental Information
URBAN Revenue Combined Schedule**

State Year Ended September 30, 2019

Description	SMART Directly Provided	Other	Total for URBAN OAR
Passenger fares	\$ 11,581,245	\$ 689,558	\$ 12,270,803
Contract fares	110,009	-	110,009
Advertising	782,670	-	782,670
Rental of bldgs or other property	64,219	-	64,219
Gains from the sale of capital assets	-	-	-
Other nontrans revenue	284,139	-	284,139
Taxes levied directly	79,266,529	843,977	80,110,506
Local operating assistance	-	881,321	881,321
Other local contracts - Municipal credit recapture	-	-	-
Other local contracts and reimbursements	-	-	-
Other local community credits	273,361	2,317,195	2,590,556
State operating assistance:			
SMART	36,302,398	-	36,302,398
Bedford	119,919	-	119,919
LETC Urban and Non-Urban	1,520,083	-	1,520,083
Royal Oak Township	11,680	-	11,680
Line-item municipal credit	1,630,540	2,295,694	3,926,234
Mun. Cr. special appropriation	1,630,540	-	1,630,540
State preventive maintenance (20% State share)	1,254,849	-	1,254,849
Other MDOT/BPT contracts and reimb.:			
Reimb for section 5309 program admin	5,000	-	5,000
Specialized Service Grant FY 2019	590,868	272,630	863,498
Specialized Service Grant FY 2020	196,951	-	196,951
JARC PASS THRU 2012-0170 P21	56,154	-	56,154
MOBILITY MGT 2012-0170 P20	14,717	-	14,717
MOBILITY MGT 2012-0170 P38	96,925	-	96,925
NOTA New Freedom 2017-0130 P14	37,500	-	37,500
Other	-	148,930	148,930
Act 51	-	100,121	100,121
Federal preventive maintenance -			
MI-90-0591	5,000,000	-	5,000,000
Planning/Capital cost of contracting -			
FY 2018 UWP - CONTRACT #MI-80-X006	589,125	-	589,125
FY 2019 UWP - CONTRACT #MI-80-X007	101,577	-	101,577
Reimb. for JARC Admin. MI-37-6040	-	-	-
Reimb. for JARC Admin. MI-37-6043	-	-	-
Reimb. for JARC Admin MI-37-0043	18,373	-	18,373
Reimb. for New Freedom Admin. MI-57-6007	48,163	-	48,163
Reimb. for New Freedom Admin. MI-57-6014	-	-	-
Reimb. for New Freedom Admin. MI-57-6018	-	-	-
Reimb. for Section 5309 Admin.	19,999	-	19,999
Other federal transit contracts and reimb.:			
Section 5307 Lake Erie MI-90-0777	580,767	-	580,767
Section 5310 PM	26,152	-	26,152
Section 5311 Lake Erie MI-18-0055	218,869	-	218,869
JARC	56,154	-	56,154
New Freedom	1,703,614	644,930	2,348,544
Refunds, rebates, insurance proceeds	491,615	-	491,615
Gains from the sale of capital assets	-	-	-
CMAQ Grant	1,040,000	-	1,040,000
Interest income	2,443,852	51,340	2,495,192
Total	\$ 148,168,556	\$ 8,245,696	\$ 156,414,253

**Other Supplemental Information
URBAN Expense Combined Schedule**

State Year Ended September 30, 2019

Description	SMART Directly Provided	Other	Total for URBAN OAR
Operators salaries and wages	\$ 23,530,793	\$ -	\$ 23,530,793
Other salaries and wages	17,081,397	-	17,081,397
Dispatchers salaries and wages	4,592,960	-	4,592,960
Other fringe benefits	14,646,994	-	14,646,994
Pensions - Defined contribuion	28,749	-	28,749
Pensions - Defined benefit	17,917,796	-	17,917,796
Other postemployment benefits (OPEB)	8,851,470	-	8,851,470
Advertising fees	235,981	-	235,981
Audit cost	164,785	-	164,785
Other services	3,605,506	-	3,605,506
Fuel and lubricants	6,120,219	-	6,120,219
Tires and tubes	668,032	-	668,032
Other materials and supplies	4,489,978	-	4,489,978
Utilities	1,141,713	-	1,141,713
Casualty and liab. costs	5,772,478	-	5,772,478
Other insurance	64,567	-	64,567
Taxes and fees	-	-	-
Purchased transportation service			
Pass-throughs that are expensed -	7,872,190	9,464,704	17,336,893
Community Credits	3,772,738	-	3,772,738
Community Transit	48,147	-	48,147
Nankin/Richmond Lenox/CBS Bloomfield Hills	460,299	-	460,299
Travel, meetings, and training	58,974	-	58,974
Loss on disposal of asset	283,031	-	283,031
Other miscellaneous expenses	142,539	-	142,539
Leases and rentals	421,044	-	421,044
Depreciation	16,229,959	-	16,229,959
Total expenses	138,202,339	9,464,704	147,667,043
Less ineligible expenses:			
Ineligible refunds and credits	491,615	-	491,615
Other ineligible state contracts	1,636,165	-	1,636,165
Ineligible depreciation	15,487,315	-	15,487,315
Municipal credits	1,630,540	-	1,630,540
Unused community credits	273,361	-	273,361
Ineligible non-trans exp	282,885	-	282,885
Ineligible loss on disposal	283,031	-	283,031
Local contracts	-	-	-
Preventive maintenance (MI-90-0591)	6,254,849	-	6,254,849
Planning/Cap. cost of contracting	690,702	-	690,702
Other ineligible federal/state/local:	-	-	-
Reimb. for JARC Admin MI-37-0043	18,373	-	18,373
Reimb. for New Freedom Admin. MI-XX-XXXX	48,164	-	48,164
Other ineligible state contracts:	-	-	-
Pass-through ineligibles	4,611,110	-	4,611,110
New Freedom	-	-	-
Other	-	5,775,034	5,775,034
Ineligible pension	4,655,812	-	4,655,812
Ineligible OPEB	(4,764,113)	-	(4,764,113)
Other ineligibles	-	-	-
Total ineligibles	31,599,808	5,775,034	37,374,841
Total eligible expenses	\$ 106,602,531	\$ 3,689,670	\$ 110,292,201

**Suburban Mobility Authority
for Regional Transportation**

Other Supplemental Information

SMART Combined Urban Regular Service Revenue Report

State Year Ended September 30, 2019

Description	Amount
Passenger fares	\$ 12,270,803
Contract fares	110,009
Auxiliary transportation revenue (explain):	
.15 Advertising	782,670
Nontransportation revenue (explain):	
.20 Rental of buildings or other property	64,219
.99 Other nontransportation revenue	284,139
Taxes levied directly by transit system	80,110,506
Local cash grants and reimbursements (explain):	
.10 Local operating assistance	881,321
.99 Other local contracts - Municipal Credit recapture	-
.99 Other local contracts - Community Credit Program	2,590,556
State formula and contracts:	
.01 State operating assistance SMART	36,302,398
.01 State operating assistance municipal credits	1,630,540
.01 State operating assistance LETC, Bedford, Royal Oak	1,651,682
.10 Line item municipal credits	3,926,234
.11 Preventive maintenance	1,254,849
.99 Other state contracts and reimbursements	1,519,797
Federal contracts:	
.01 Section 5311 LAKE ERIE	218,869
.02 Section 5307 LAKE ERIE	580,767
.11 Preventive maintenance	5,000,000
.12 Capital cost of contracting	690,702
.13 Capital contract reimbursement for administrative expenses	86,535
.99 Other federal contracts and reimbursements	3,470,850
Interest income	2,495,192
Refunds and credits	491,615
Total Revenue	\$ 156,414,253

**Suburban Mobility Authority
for Regional Transportation**

Other Supplemental Information

SMART Combined Urban Regular Service Expense Report

State Year Ended September 30, 2019

	Operations	Maintenance	Gen. Admin.	Total
Labor:				
01 Oper salary and wages	\$ 23,530,793	\$ -	\$ -	\$ 23,530,793
02 Other salary and wages		6,956,589	10,124,808	17,081,397
03 Disp salary and wages	4,592,960			4,592,960
Fringe benefits	9,112,423	2,254,016	3,280,555	14,646,994
Postemployment benefits	5,506,819	1,362,146	1,982,505	8,851,470
Pension - Defined contribution			28,749	28,749
Pension - Defined benefit	11,147,307	2,757,357	4,013,132	17,917,796
Services:				
01 Audit			164,785	164,785
02 Advertising fees			235,981	235,981
99 Other services	189,688	1,228,996	2,186,822	3,605,506
Materials and supp. cons.:				
01 Fuel and lubricants	6,120,219			6,120,219
02 Tires and tubes	668,032			668,032
99 Other materials and supplies	527,704	3,678,218	284,057	4,489,978
Utilities	-	-	1,141,713	1,141,713
Casual and liability costs:				
03 Premium for public liability	5,772,478	-	-	5,772,478
99 Other insurance	-	64,567	-	64,567
Taxes	-	-	-	-
Purchased transportation service - Pass Thrus that are expensed	17,336,893	-	-	17,336,893
Purchased transportation service - Community Credits	3,772,738	-	-	3,772,738
Community Transit	48,147	-	-	48,147
Purchased transportation service - Nankin/Richmond Lenox/CBS Bloomfield	460,299	-	-	460,299
Miscellaneous expense:				
02 Travel and meetings	-	-	58,974	58,974
03 Dues and subscriptions	-	-	-	-
09 Loss on disposal of asset	-	-	283,031	283,031
99 Other miscellaneous expense	-	-	142,539	142,539
Leases and rentals	-	-	421,044	421,044
Depreciation	-	-	16,229,959	16,229,959
Total expenses	88,786,500	18,301,889	40,578,654	147,667,043
Less ineligible expenses:				
Ineligible depreciation	-	-	15,487,315	15,487,315
Ineligible loss on disposal	-	-	283,031	283,031
Ineligible non-trans exp	282,885	-	-	282,885
Ineligible refunds and credits	-	-	491,615	491,615
Local contracts	-	-	-	-
Preventive maintenance (MI-90-0591)	-	6,254,849	-	6,254,849
Admin expense paid by JARC	-	-	18,373	18,373
Admin expense paid by New Freedom	-	-	48,164	48,164
Other ineligible federal/state/local:				
Unused municipal credits	2,853,446	-	-	2,853,446
Unused community credits	273,361	-	-	273,361
Other state contracts:				
Pass-through ineligibles	10,386,144	-	-	10,386,144
New Freedom	-	-	-	-
Other ineligible state contracts	1,636,165	-	-	1,636,165
Other ineligibles	-	-	-	-
Planning/Cap. Cost of contracting	690,702	-	-	690,702
Ineligible pension	-	-	4,655,812	4,655,812
Ineligible OPEB	-	-	(4,764,113)	(4,764,113)
Total ineligible expenses	16,122,703	6,254,849	16,220,196	38,597,747
Total eligible expenses	\$ 72,663,797	\$ 12,047,040	\$ 24,358,458	\$ 109,069,295

Other Supplemental Information

SMART Combined Urban Regular Service Nonfinancial Report

State Year Ended September 30, 2019

DESCRIPTION	WEEKDAYS	SATURDAY	SUNDAY	TOTAL
FIXED ROUTE				
PUBLIC SERVICE				
VEHICLE HOURS	796,752	82,419	45,277	924,448
VEHICLE MILES	11,935,004	1,271,550	712,488	13,919,042
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-
CONNECTOR				
PUBLIC SERVICE				
VEHICLE HOURS	214,799	7,001	1,712	223,512
VEHICLE MILES	3,489,276	119,066	24,769	3,633,111
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-

The methodology used for compiling miles and hours has been reviewed and the recording method has been found to be adequate and reliable.

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Royal Oak Twp. Urban Service Revenue Report**

State Year Ended September 30, 2019

Description	Amount
Passenger fares	\$ 3,471
Contract fares	-
Package delivery/ Meals on Wheels	-
Incidental charter service revenue	-
Auxiliary transportation revenue (explain):	
.10 Concessions	-
.15 Advertising	-
.20 Intercity ticket sales	-
.99 Other auxiliary transportation revenue	-
Nontransportation revenue (explain):	
.10 Sale of maintenance services	-
.15 Rental of revenue vehicles	-
.20 Rental of buildings or other property	-
.25 Parking lot revenue	-
.60 Gains from the sales of capital assets	-
.99 Other nontransportation revenue	-
Taxes levied directly by transit system	-
Local cash grants and reimbursements (explain):	
.10 Local operating assistance	38,457
.20 Single business tax	-
.99 Other local contracts (Community Credit Program)	7,605
State formula and contracts:	
.01 State operating assistance	24,045
.10 Line item municipal credits	2,400
.11 Preventive maintenance	-
.12 Capital cost of contracting	-
.13 Capital contract reimbursement for administrative expenses	-
.14 Other capital contract reimbursements for operating expenses	-
.99 Other state contracts and reimbursements	-
Federal contracts:	
.01 Section 5311	-
.02 Section 5307	-
.11 Preventive maintenance	-
.12 Capital cost of contracting	-
.13 Capital contract reimbursement for administrative expenses	-
.14 Other capital contract reimbursements for operating expenses	-
.98 RTAP	-
.99 Other federal contracts and reimbursements	-
Interest income	237
Contributed service	-
Total revenue	\$ 76,215

**Suburban Mobility Authority
for Regional Transportation**

Other Supplemental Information
Royal Oak Twp. Urban Regular Service Expense Report

State Year Ended September 30, 2019

	Operations	Maintenance	Gen. Admin.	Total
Labor				
01 Oper salary and wages	\$ 12,067	\$ -	\$ -	\$ 12,067
02 Other salary and wages	-	-	4,316	4,316
03 Disp salary and wages	4,102	-	-	4,102
Fringe benefits	-	-	51	51
Services:				
01 Audit	-	-	72	72
02 Advertising fees	-	-	-	-
99 Other services	-	-	1,969	1,969
Materials and supp. Cons.:				
01 Fuel and lubricants	3,369	-	-	3,369
02 Tires and tubes	-	-	-	-
99 Other materials and supplies	1,400	97	960	2,457
Utilities	-	-	3,659	3,659
Casual and liability costs:				
03 Premium for public liability	1,578	-	2,191	3,769
99 Other insurance	-	-	-	-
Taxes	-	-	-	-
Purchased transportation service	-	-	-	-
Miscellaneous expense:				
02 Travel and meetings	245	-	-	245
99 Other miscellaneous expense	-	-	1,154	1,154
Interest expense:				
01 Interest on long-term debt	-	-	-	-
02 Interest on short-term debt	-	-	-	-
Leases and rentals	-	-	-	-
Depreciation	-	-	-	-
Total expenses	22,761	97	14,372	37,230
Less ineligible expenses:				
SMART municipal credits	2,400	-	-	2,400
SMART community credits	7,605	-	-	7,605
Act 51	24,045	-	-	24,045
Other MDOT/BPT contracts and reimb.:	-	-	-	-
State specialized services	-	-	-	-
Other Federal contracts and reimb	-	-	-	-
Depreciation	-	-	-	-
99 Total ineligible expense	34,050	-	-	34,050
Total eligible expenses	\$ (11,289)	\$ 97	\$ 14,372	\$ 3,180

Other Supplemental Information

Royal Oak Twp. Urban Regular Service Nonfinancial Report

State Year Ended September 30, 2019

DESCRIPTION	WEEKDAYS	SATURDAY	SUNDAY	TOTAL
FIXED ROUTE				
PUBLIC SERVICE				
VEHICLE HOURS	-	-	-	-
VEHICLE MILES	-	-	-	-
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-
CONNECTOR				
PUBLIC SERVICE				
VEHICLE HOURS	1,214	-	-	1,214
VEHICLE MILES	5,735	-	-	5,735
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-

Management has determined that the methodology used for compiling miles and hours has been reviewed and the reconciling method has been found to be adequate and reliable.

1.) Administrative Expenses that are charged to capital grants are not included in SMART's operating expenses.

All administrative costs related to capital contracts are deducted and transferred to the capital fund. Therefore these expenditures are not reimbursed by state formula funds.

2.) Expenses that are paid on behalf of our purchase of service providers are not included in SMART's eligible expenses.

Costs related to our purchase of service providers are deducted and reimbursed by these providers and included in their operating expenses.

3.) No expenses for Lake Erie Transit are included in SMART'S submittal.

4) Expenses for STAR, Community Based Nankin Transit, Redford, and Mt. Clemens are included only on schedule 4E on line Purchased Transportation.

DRAFT

December 10, 2020

To the Board of Directors
Suburban Mobility Authority for
Regional Transportation

We have audited the financial statements of the Suburban Mobility Authority for Regional Transportation (the "Authority" or SMART) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 10, 2020. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Other Items

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the members of the board of directors of SMART.

Section II contains informational items that we believe will be of interest to you.

We would like to take this opportunity to thank Authority's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the members of the board of directors and management of SMART and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these and any other questions that you might have at your convenience.

Very truly yours,

Plante & Moran, PLLC

Pamela L. Hill

Keith Szymanski

Section I - Required Communications with Those Charged with Governance

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 18, 2020, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of SMART. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of SMART's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of SMART, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated December 10, 2020 regarding our consideration of SMART's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on August 26, 2020.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by SMART are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2020.

We noted no transactions entered into by SMART during the year for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting SMART's financial statements were as follows:

- Net OPEB (other postemployment benefits) and pension liabilities and related disclosures, including the actuarial methods and assumptions: these estimates are based on third-party valuations performed with the underlying assumptions used in those valuations, which are principally based on plan provisions, healthcare-related trends, and payroll data. The significant assumptions include future rate of return on investments, future healthcare costs, employee eligibility rates, life expectancies, and projected salary increases.
- Estimated liabilities and the related resolution of self-insurance claims, including claims incurred but not reported (IBNR): the assumptions are based on reported incidents, third-party established actuarial methods, and historical claims incurred experience.
- Allowance for collectability reserve related to local revenue source receivables: the estimate is based on communications from each of the counties (Oakland, Macomb, and Wayne, Michigan), combined with management's estimates for uncertainties and historical results.
- Estimated reserve related to state operating grants (Act 51 revenue): the estimate is based on preliminary determinations made by the State, combined with management's estimates for uncertainties and historical results.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected the misstatements identified related to grant receivable, as further described in the separate report on internal control over financial reporting.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting SMART, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as SMART's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 10, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to SMART's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Section II - Other Items

Process Efficiencies

While performing our audit, we are always looking for ways to assist SMART - whether it be through best practices or ways to be more efficient. Through our testing, we have observed that SMART's chart of accounts and processes for recording transactions can be burdensome and likely more complex than they need to be. This can make accurate financial reporting more difficult to achieve and also places greater strain on the finance staff. We have found that as systems age and organizations are able to take a step back to look at practices that have been in place for several years, there may be more efficient ways of doing things. We always encourage organizations to revisit the business processes in place to look for efficiencies. We recommend SMART consider reviewing and potentially optimizing its chart of accounts and business processes. We are happy to discuss this further with SMART management.

ACH Policy

SMART utilizes automated clearing house (ACH) payments on a limited basis without having a written policy in place related to ACH payments. Public Act 738 of 2002 requires a written policy be in place anytime a local unit of government is making ACH payments. The policy should include the employee responsible for overseeing the process, reporting of the goods or services received, the internal accounting controls, and the approval process. We recommend SMART implement a written ACH policy in order to be in compliance with PA 738 of 2002.

Cybersecurity

Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. Because of these attacks, municipalities stand to lose reputation, their ability to operate efficiently, and proprietary information or assets. Communities can also potentially be subject to financial and legal liabilities. Managing this issue is especially challenging because even a municipality with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner. We understand that the technology department continues to monitor and evaluate this risk, which are critical best practices. Additionally, periodic assessments of the system in order to verify that the control environment is working as intended is a key part of measuring associated business risk. We encourage administration and those charged with governance to work with the technology team on this very important topic. If we can be of assistance in the process, we would be happy to do so.

Upcoming Accounting Standards Requiring Preparation

GASB Statement No. 84 - Fiduciary Activities

This new pronouncement will be effective for SMART fiscal year 2021. This statement provides criteria for state and local governments to use to identify whether an activity is fiduciary and should be reported as a fiduciary fund type in its financial statements. In addition, once identified as a fiduciary activity, GASB 84 also provides specific reporting requirements.

This statement has the potential to significantly impact what governments report currently as a fiduciary activity. Upon adoption, we anticipate that some governments' activities that never before were considered fiduciary will now be reported as such. We expect SMART will report the OPEB trust as a fiduciary activity beginning next year.

Given the potential to have a major impact on many governments, not only to its external financial statements, but also to its accounting system requirements and budget document, we encourage you to start analyzing the impact of this standard now. The first step to implementation is identifying the types of activities that should be analyzed and then running those activities through the lens of this standard.

GASB Statement No. 87 - Leases

This new accounting pronouncement will be effective for reporting periods beginning after December 15, 2021. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

We recommend beginning to accumulate information related to all significant lease agreements now in order to more efficiently implement this new standard once it becomes effective.

Plante Moran will be providing trainings and other resources to our clients over the coming months in order to help prepare for the implementation of all these new standards. In the interim, please reach out to your engagement team for assistance in getting started.

DRAFT

Suburban Mobility Authority for Regional Transportation

Federal Awards Supplemental Information
June 30, 2020

Independent Auditor's Reports

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance 1

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
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Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Directors
Suburban Mobility Authority for Regional Transportation

We have audited the financial statements of the Suburban Mobility Authority for Regional Transportation (the "Authority") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated December 10, 2020, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to December 10, 2020.

The accompanying schedule of expenditures of federal awards and the reconciliation of basic financial statements federal revenue with schedule of expenditures of federal awards are presented for the purpose of additional analysis as required by the Uniform Guidance and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

December 10, 2020

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Directors
Suburban Mobility Authority for Regional Transportation

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Suburban Mobility Authority for Regional Transportation (the "Authority") as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated December 10, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Authority's Response to the Findings

The Authority's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

To Management and the Board of Directors
Suburban Mobility Authority for Regional Transportation

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

December 10, 2020

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance
Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Directors
Suburban Mobility Authority for Regional Transportation

Report on Compliance for Each Major Federal Program

We have audited the Suburban Mobility Authority for Regional Transportation's (the "Authority") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the Authority's major federal programs for the year ended June 30, 2020. The Authority's major federal programs is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

To the Board of Directors
Suburban Mobility Authority for Regional Transportation

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-002, that we consider to be a significant deficiency.

The Authority's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

December 10, 2020

Suburban Mobility Authority for Regional Transportation

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2020

Federal Agency/Pass-through Agency/Program Title	Identifying Number	CFDA Number	Project Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Transportation - Direct programs:					
Federal Transit Cluster:					
Investment Grants:					
Capital Assistance	N/A	20.500	MI-04-0091	\$ -	\$ 329,772
Section 5339 Capital	2012-0170 P18	20.526	MI-34-0005	-	223,835
Total Federal Transit - Investment Grants				-	553,607
Formula Grants:					
COVID-19 CARES Act - COVID-19 Federal Transit Formula Grant	N/A	20.507	MI-XX-XXXX	-	6,000,000
Capital Assistance	N/A	20.507	MI-90-0756	8,616	8,616
Capital Assistance	N/A	20.507	MI-90-0678	7,567	2,877,424
CAPITAL ASSISTANCE FY17-18-19	N/A	20.507	MI-2018-018-03	-	4,000,000
Capital Assistance	N/A	20.507	MI-90-0777	-	3,826,189
Capital Assistance	N/A	20.507	MI-90-0777	-	488,042
Capital Assistance	N/A	20.507	MI-90-0777	-	143,442
Capital Assistance	N/A	20.507	MI-90-0777	225,004	225,004
Capital Assistance	N/A	20.507	MI-90-0777	-	6,308,656
Operating Assistance (Monroe) FY20	N/A	20.507	MI-XX-XXXX	418,500	418,500
Operating Assistance (Monroe) FY19	N/A	20.507	MI-XX-XXXX	92,750	92,750
Capital Assistance FY16-17	N/A	20.507	MI-95-0122	-	252,101
Capital Assistance FY18-19	N/A	20.507	MI-90-0079	-	6,708,213
Capital Assistance FY18-19	N/A	20.507	MI-90-0079	-	101,337
Capital Assistance FY16	N/A	20.507	MI-34-0022	-	2,562
Capital Assistance FY16	N/A	20.507	MI-34-0022	-	1,956,443
Capital Assistance FY16	N/A	20.507	MI-34-0022	-	122,764
Capital Assistance FY18-19	N/A	20.507	MI-34-0046	-	1,891,629
Total Federal Transit - Formula Grants				752,437	35,423,672
Total Federal Transit Cluster				752,437	35,977,279
Transit Services Program Cluster:					
5310 NEW FREEDOM CAPITAL	2012-0170 P20	20.513	MI-16-X007	162,581	162,581
5310 NEW FREEDOM OPERATING	2012-0170 P20	20.513	MI-16-X007	73,396	73,396
5310 NEW FREEDOM MOBILITY MANAGEMENT	2012-0170 P20	20.513	MI-16-X007	63,313	63,313
5310 NEW FREEDOM CAPITAL	2012-0170 P20	20.513	MI-16-X013	1,257,284	1,257,284
SMART 5310 PROGRAM ADMIN	2012-0170 P20	20.513	MI-16-X013	-	11,866
5310 NEW FREEDOM OPERATING	2012-0170 P20	20.513	MI-16-X013	414,057	414,057
5310 NEW FREEDOM MOBILITY MANAGEMENT	2012-0170 P20	20.513	MI-16-X013	2,324	2,324
5310 NEW FREEDOM CAPITAL	2012-0170 P20	20.513	MI-16-X034	2,209,320	2,209,320
5310 NEW FREEDOM PREVENTATIVE MAINT	2012-0170 P20	20.513	MI-16-X034	4,243	4,243
SMART 5310 PROGRAM ADMIN	2012-0170 P38	20.513	N/A	-	11,412
5310 NEW FREEDOM OPERATING	2012-0170 P38	20.513	N/A	746,656	746,656
5310 NEW FREEDOM MOBILITY MANAGEMENT	2017-0130 P28	20.513	N/A	-	336,746
5310 NEW FREEDOM CAPITAL	2017-0130 P28	20.513	MI-16-2001	-	116,287
SECTION 5310- CAPITAL	2017-0130 P5	20.513	MI-XX-XXXX	-	354,180
SECTION 5311	2017-0130 P10	20.516	MI-2017-030	-	117,474
SECTION 5311	2017-0130 P10	20.516	MI-2017-030	-	65,033
SECTION 5310	2017-0130 P16	20.516	MI-2018-033	-	153,103
SECTION 5311	2017-0130 P14	20.521	MI-2017-030	-	37,500
SECTION 5310	2017-0130 P20	20.513	MI-2019-037	-	60,000
SECTION 5317 NEW FREEDOM PROGRAM ADMIN	N/A	20.521	MI-57-6018	-	2,413
SECTION 5317 NEW FREEDOM PROGRAM ADMIN	N/A	20.521	MI-57-6024	-	13,026
SMART JARC PROGRAM ADMIN	N/A	20.516	MI-37-6043	-	5,642
SMART JARC PROGRAM OPERATING	N/A	20.516	MI-37-4050	48,778	48,778
Total Transit Services Program Cluster				4,981,952	6,266,634

Suburban Mobility Authority for Regional Transportation

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2020

Federal Agency/Pass-through Agency/Program Title	Identifying Number	CFDA Number	Project Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Transportation - Pass-through programs from the State of Michigan Department of Transportation:					
OPERATING ASSIST. LET- SEC 5311 (2019)	2017-0130 P09	20.509	MI-18-0055	\$ 61,320	\$ 61,320
OPERATING ASSIST. LET- SEC 5311 (2020)	2017-0130 P15	20.509	MI-18-0055	253,304	253,304
Total passed through the Michigan Department of Transportation				314,624	314,624
U.S. Department of Transportation - Pass-through programs from the Southeast Michigan Council of Governments:					
PLANNING & TECHNICAL STUDIES UWP PROGRAM	N/A	20.505	MI-80-X006	-	346,100
TRANSIT ASSET MGT	N/A	20.505	2015-0009	-	95,490
Total passed through the Southeast Michigan Council of Governments				-	441,590
Total expenditures of federal awards				\$ 6,049,013	\$ 43,000,127

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Suburban Mobility Authority for Regional Transportation

**Reconciliation of Basic Financial Statements Federal Revenue
with Schedule of Expenditures of Federal Awards**

	Year Ended June 30, 2020
Revenue from federal sources - As reported on financial statements (includes all funds)	\$ 13,001,337
Add federal portion of capital contributions - As reported on the financial statements (includes all funds)	26,494,407
Adjustment to current year revenue related to adjustments to beginning balance of grants receivable	<u>3,504,383</u>
Federal expenditures per the schedule of expenditures of federal awards	<u><u>\$ 43,000,127</u></u>

Suburban Mobility Authority for Regional Transportation

Notes to Schedule of Expenditures of Federal Awards

June 30, 2020 and 2019

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Suburban Mobility Authority for Regional Transportation (the "Authority") under programs of the federal government for the year ended June 30, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the full accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The Authority has elected not to use the 10 percent de minimis indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

Suburban Mobility Authority for Regional Transportation

Schedule of Findings and Questioned Costs

Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? X Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes X None reported

Noncompliance material to financial statements noted? Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? X Yes None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? X Yes No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	Opinion
20.500, 20.507, 20.526	Federal Transit Cluster	Unmodified
20.513, 20.516, 20.521	Transit Services Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$1,290,004

Auditee qualified as low-risk auditee? Yes X No

Suburban Mobility Authority for Regional Transportation

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2020

Section II - Financial Statement Audit Findings

Reference Number	Finding
2020-001	<p>Finding Type - Material weakness</p> <p>Criteria - General ledger activity should be recorded in accordance with accounting principles generally accepted in the United States of America.</p> <p>Condition - Journal entries were necessary to adjust certain account balances in order to properly state them as of June 30, 2020.</p> <p>Context - The vast majority of all transactions were properly accounted for by the Authority; however, our financial statement audit procedures did detect necessary adjustments to grants receivable and a lack of proper controls over the recording of grants receivable and related cash receipts.</p> <p>Cause - The Authority did not have processes in place to reconcile and review these statement of net position accounts.</p> <p>Effect - As a result of these balances not being reconciled as of the end of the year, the Authority's grants receivable required adjustments as of June 30, 2020. The Authority has posted the proper adjustments. Additionally, once a reconciliation was performed, the Authority identified receivables that had not been reimbursed in over a year. The Authority is now following up with the granting agency.</p> <p>Recommendation - We recommend the Authority implement procedures to ensure all statement of net position accounts are reconciled as of the end of the year. Rather than being just an accumulation of the transactions posted throughout the year, the ending balances should be reconciled to supporting records. Grants receivable should agree to the sum of reimbursements requested during the year for which cash was not received until after year end and revenue earned but not yet requested for reimbursement as of the end of the year. To make the reconciliation process easier as of the end of the year, we recommend the Authority ensure reimbursements are being requested on a timely basis, cash receipts are received timely, and cash receipts are posted against the appropriate receivable accounts.</p> <p>Views of Responsible Officials and Planned Corrective Actions - OPEN</p>

Suburban Mobility Authority for Regional Transportation

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2020

Section III - Federal Program Audit Findings

Reference Number	Finding
2020-002	<p>CFDA Number, Federal Agency, and Program Name - CFDA #20.513, #20.516, #20.521, Department of Transportation, Transit Services Program Cluster and CFDA #20.500, #20.526, #20.507, Department of Transportation, Federal Transit Cluster</p> <p>Federal Award Identification Number and Year - Various awards related to clusters noted above.</p> <p>Pass-through Entity - N/A</p> <p>Finding Type - Significant deficiency</p> <p>Repeat Finding - No</p> <p>Criteria - 2 CFR section 200.303 requires that the Authority establish and maintain effective internal controls over federal awards.</p> <p>Condition - The Authority's appropriate certifying individual approves drawdowns prior to being uploaded into the ECHO system; however, there is no evidence of secondary review of the payment request by appropriate individual prior to submission within the online portal.</p> <p>Context - The Authority completed 46 draws during the year. All but one drawdown request contained evidence that they were reviewed by the certifying official prior to uploading the draw information into the ECHO system; however, our procedures identified that no secondary review of the drawdown requests is completed prior to submission within the online portal. No errors were noted with the submissions in the sample selected for testing.</p> <p>Cause and Effect - Without a review of the prepared draw in the ECHO system, there is a risk that the amount requested from the awarding agency will not match the support reviewed by the certifying official. If such an error existed, it would not be identified until the Authority's year-end reconciliation procedures are performed.</p> <p>Recommendation - We recommend the Authority implement procedures to ensure all drawdown requests show evidence of review in the form of sign offs by the appropriate individual and that these requested balances are reviewed within the ECHO system by appropriate secondary reviewer prior to or shortly after making request.</p> <p>Views of Responsible Officials and Corrective Action Plan - OPEN</p>



agenda item

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
TO: SMART Board of Directors SUBMITTED BY: Director of Transportation
FROM: Service Development APPROVED BY: Deputy GM

SUBJECT: Authorization to Join the Automated Bus Consortium

RECOMMENDATION:

That the Board adopt the attached resolution authorizing SMART to join the Automated Bus Consortium as a member for Phases I and 2A at a not to exceed cost of \$100,000.

DISCUSSION:

With rapid advancement of automated vehicle technologies and the urgent need to improve mobility options, an association has formed the Automated Bus Consortium (Consortium) to leverage combined resources and launch a pilot deployment program of full-sized automated buses across the country. Using cost-efficient and standardized methodologies and assessment, the Consortium will lead the nation's effort to test and evaluate automated bus technology in live service environments. Consortium members will be defining candidate routes and locations, operating plans, automated bus specifications, financial plans and deployment strategies.

The Michigan Department of Transportation is a member of the Consortium and intends to have Michigan take a leadership role in automated technology, including in public transportation. SMART's participation helps ensure technologies meet SMART's strategic and practical objectives and allows SMART to effectively participate in Southeastern Michigan's automated vehicle efforts in an affordable and sustainable way. AECOM will serve as the program manager for the collaborative effort, managing planning, assessment, implementation and evaluation of the program's rollout in all locations. SMART's cost may be less than the not-to-exceed cost due to in-kind staff time contributions.

The Consortium will prepare to make an expected initial purchase of 75 to 100 full-sized, automated buses. Lessons learned and best practices from each pilot project will be shared among member agencies to promote better and faster learning and adoption of safety protocols and operational insights. The Consortium is currently in the feasibility phase, followed by implementation within a two-year time frame, currently estimated to begin between 2022 and 2023. Each agency will make their own decisions regarding automated bus purchases and deployment following the completion of the feasibility phase.

Consortium's founding members include: Michigan DOT/PlanetM; Dallas Area Rapid Transit; Foothill Transit; Long Beach Transit; Los Angeles County MTA; MetroLINK; Metropolitan Atlanta RTA; Minnesota DOT/Rochester Public Transit; Pinellas Suncoast Transit Authority, and Virginia Department of Rail and Public Transportation/Hampton Roads Transit.

FUNDING SOURCE:

Costs are covered within the Operating budget.

ATTACHMENTS:

1. Resolution
2. Overview of Program Slide Deck

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
RESOLUTION

Authorizing SMART to Join the Automated Bus Consortium

- Whereas, the Suburban Mobility Authority for Regional Transportation (SMART) has a responsibility to operate public transportation services to the greatest benefit of its tax paying communities within the constraints of a balanced budget; and
- Whereas, the Automated Bus Consortium (ABC) was formed as the result of a collaborative effort of public transit agencies and departments of transportation across the United States to use cost efficient and standardized methodologies and assessments to lead the nation's effort to test and evaluate driverless bus technology for transit use, and
- Whereas, approximately fifteen (15) transit agencies are expected to participate in the Consortium and there is currently no other similar multi-agency collective focusing on such matters; and
- Whereas, AECOM has been engaged by each participant in the Consortium to lead the efforts to develop high-level specifications for an autonomous bus and to investigate the feasibility of a joint purchase by transit; now, therefore be it
- Resolved, that the Suburban Mobility Authority for Regional Transportation is hereby authorized to participate in the Consortium by executing a sole source contract with AECOM to obtain services related to the development of performance specifications for an automated bus for transit use with a maximum contract amount of \$100,000.00.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Automated Bus Consortium Program Overview

October 2020

ACCELERATING AUTOMATED TECHNOLOGY FOR TRANSIT SERVICES





Purpose of Presentation/Discussion

- **Provide an update on the Automated Bus Consortium**
- **Gain your reaction to the concept**
- **Measure your interest in joining the Consortium**



Summary of Original Concept

- Automated small vehicle shuttle technology is proven
- Appears feasible to transfer AV shuttle technology to full-sized buses (80-85,000 US market)
- Vendors need a market to cost-effectively produce these buses
- Original Concept: Joint procurement of 75 –100 buses by consortium agencies from one vendor





Goal of Automated Bus Consortium Project

Deploy full-sized, full-speed accessible automated (Level 4) buses in a variety of geographies and applications:

- to advance the industry understanding of the technology
- to achieve the benefits of improved safety, reliability, operating efficiency and customer experience

Phase 1 Consortium Agencies



Dallas Area Rapid Transit (DART) | Foothill Transit | Long Beach Transit (LBT) | Los Angeles County Metropolitan Transportation Authority (Metro) | MetroLINK (Moline) | Metropolitan Atlanta Rapid Transit Authority (MARTA) | Metropolitan Transit Authority of Harris County (Houston) | Michigan Department of Transportation (MDOT)/Michigan's mobility initiative, PlanetM | Minnesota Department of Transportation (MnDOT)/Rochester Public Transit | Pinellas Suncoast Transit Authority (PSTA) | Virginia Department of Rail and Public Transportation (DRPT)/Hampton Roads Transit

Benefits and Limitations of Automated (Level 4) Small Shuttles

- Proves automated, electric buses work
- Refreshes the image of transit
- Speed limited to 20-25 mph
- Capacity is 12 passengers
- Applications limited



Various Bus Manufacturers Have Announced Automated, Full Size, High Speed Bus Programs





ABC Industry Forum (9.12.19)

- **Industry Forum Attendance**
 - 120 individuals (54 bus/technology companies; 23 ABC/other public agencies/academia)
 - One-on-One meetings with 21 companies
- **Input from Attendees at Industry Forum**
 - Aggressive schedule to automate all environments
 - Pilot project variety creates complexity for software development
 - Possibly limit types of pilot projects to implement
 - Need to structure study for “safety”
 - Consider grouping pilot projects for phased deployment approach
- **Current Interested Vendors: New Flyer, Proterra, BYD, Nova, Arrival, and Adastec**



Conclusions on Automated Transit

- Significant investment is being made in automation
- Industry “appears able” to produce a Level 4 full-size, full-speed, and accessible automated bus in the – 2023 timeframe
- The technology needs a market
- Labor partnerships are important
- FTA has an interest in automated bus deployment





Program to Achieve Goal: Consortium



Variety of Geographies

- Cold Weather
- Dry
- Hot and Humid
- Rainy



Variety of Applications

- Bus Rapid Transit
- Shuttle Service
- Arterial Rapid Transit
- Express Service
- Fixed-Route Service
- Point-to-Point
- Maintenance Depot



Variety of Vehicle Options

- New Vehicles
- Retrofit Existing Vehicles
- **Electric Vehicles**
- CNG Vehicles
- Diesel Vehicles
- Hydrogen Fuel Cell

Potential Risks

- Passenger acceptance/security
- Labor opposition
- Technology companies' ability to deliver
- Liability insurance – not enough experience with automated buses for underwriting risk
- Research and development program costs
- Cybersecurity
- Technology / Software Updates
- Other

Risk register has been developed





The Effects of Automation on the Public Transportation Workforce



Industry Data Collection Webinar

June 18th, 2020

TCRP Project J-11 / Task 34



Impacted Transit Jobs

Directly-Impacted Operations Jobs

- Bus operators
- Bus mechanics / maintenance technicians
- Bus service persons / fuelers / cleaners
- Dispatchers / controllers
- Road or street supervisors / traffic controllers

Automation impact
will be **quantified**

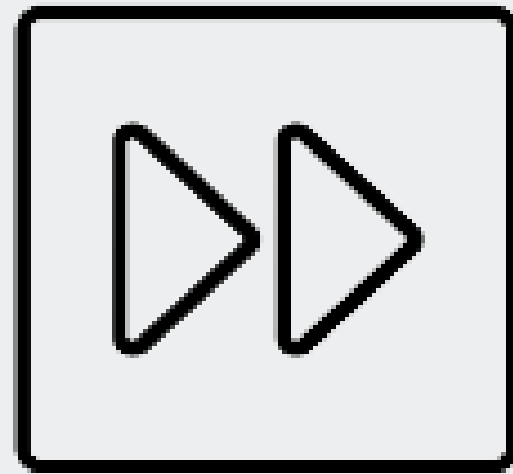
Indirectly-Impacted Key Jobs

- Bus garage superintendent
- Bus operations trainer
- Maintenance trainer
- Parts clerk
- Operations and maintenance facilities maintainer
- Short-range transit planner / schedule maker
- Transit police officer

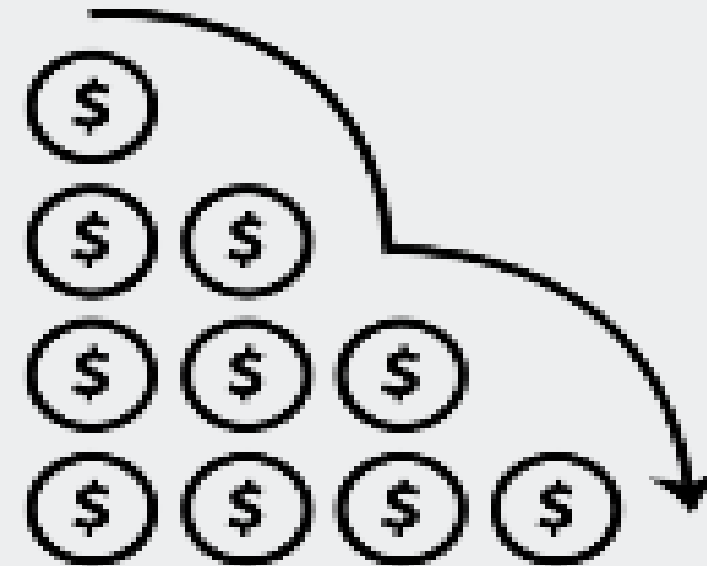
Automation impact
will be **discussed**



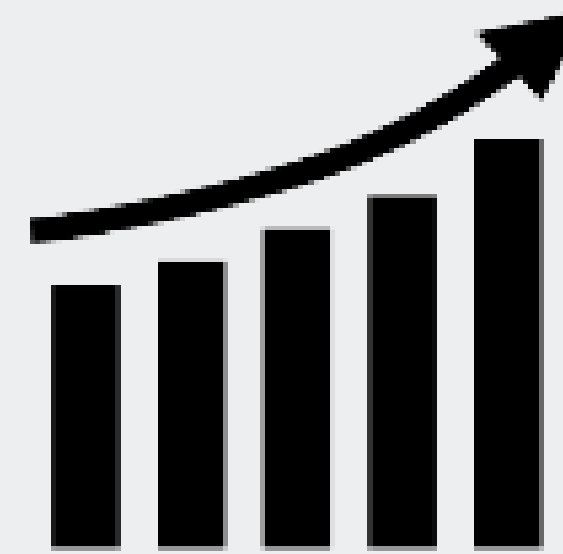
Potential Value of the Consortium



**Accelerate
Technology
Development and
Deployment**



**Reduce Planning
and Procurement
Costs**

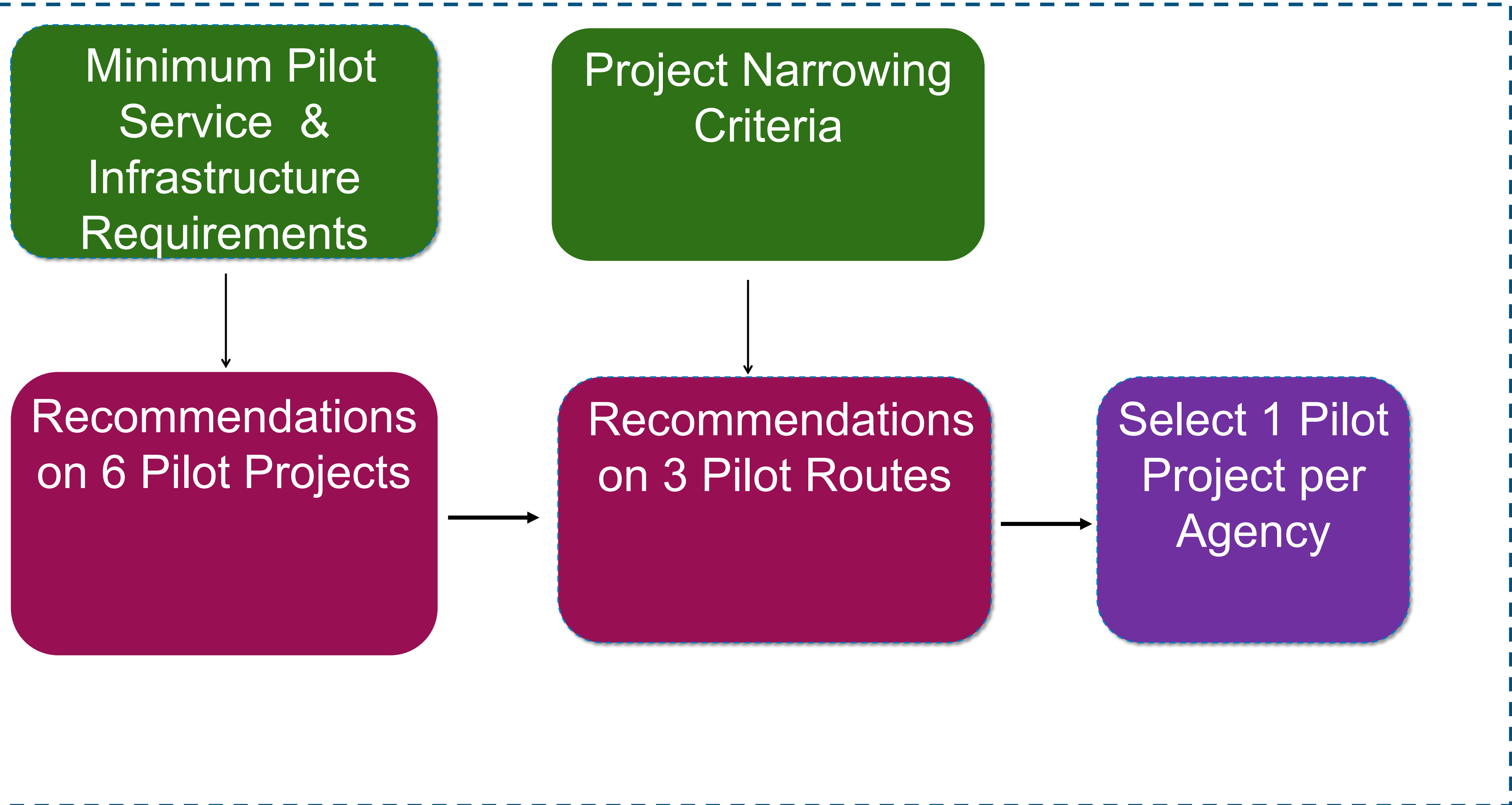


**Stimulate
Technology
Demand**



**Shared Lessons
Learned**

Service Analysis Workshops





Key Elements of ABC Specification

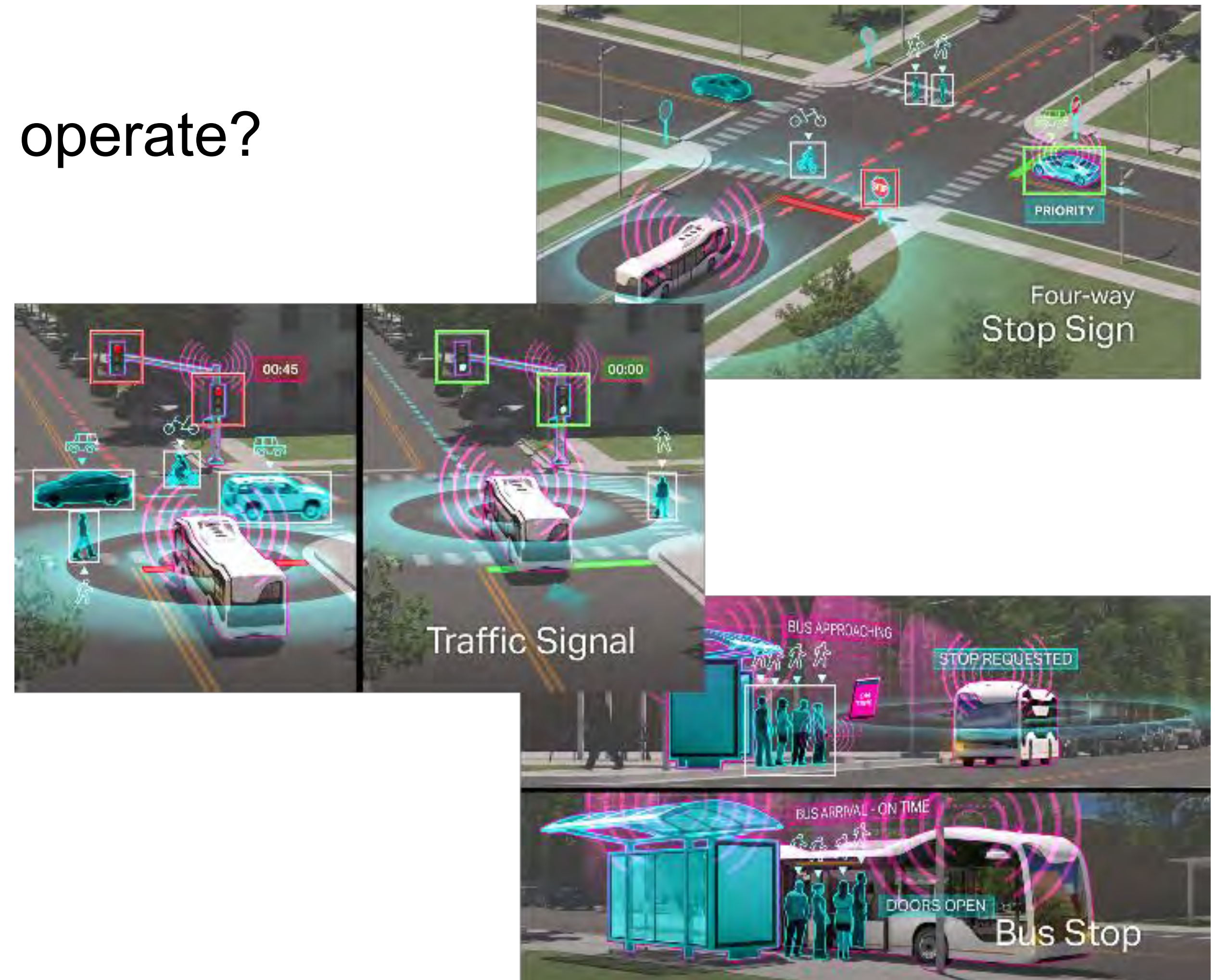
1. Base Bus Specification (leverage APTA White Book)
2. Bus Electrification (leverage APTA White Book)
3. Automated Driving System (ADS) (new, leverage Industry input)



Automated Bus Operational Design Domain (ODD)

In what environment does the bus operate?

- Urban roadways and traffic
- Global route and path planning
- Bus stops
- Stop sign intersections
- Signalized traffic intersections
- Bike lanes
- Pedestrian crossings



STAGE 1

- **OPERATIONAL DESIGN DOMAIN (ODD)**
 - BUS SERVICE ROUTES (LOCAL ROADS, ARTERIALS, FREEWAYS AND HIGHWAYS) WITH SPEEDS GOVERNED BY SERVICE ROUTE SPEED LIMITS, INCLUDING INTERSECTIONS
 - VARYING LIGHTING AND WEATHER CONDITIONS
 - MAINTENANCE YARD: NAVIGATION AND TASK EXECUTION
- **BEHAVIORS**
 - ACQUIRE AND NAVIGATE SERVICE ROUTES INCLUDING BUS STOPS AND LOW SPEED BUS MERGES
 - CALCULATE AND TRACK ESTIMATED TIME TO ARRIVAL FOR BUS STOPS
 - TRACK OTP
 - LANE NAVIGATION, LANE CHANGES
 - DETECT AND NAVIGATE INTERSECTIONS CONTROLLED BY TRAFFIC SIGNALS, AND 2- AND 4-WAY STOP SIGNS
 - INTERACT WITH BUS STOPS AND BOARDING, EXITING PASSENGERS
 - ACCOMMODATE PASSENGERS WITH BICYCLES
 - ACCOMMODATE PASSENGER COUNTS
- **FUNCTIONALITY**
 - ADS SHALL BE ADA COMPLIANT
 - COMPONENT AND CRITICAL SYSTEM REDUNDANCY
 - COMFORTABLE PASSENGER EXPERIENCE
 - PROVIDE MECHANISM FOR MANUAL TAKEOVER, AND TO RELINQUISH CONTROL TO THE ADS
 - PREVENT UNAUTHORIZED ACCESS
 - MONITORING AND LOGGING OF INTERNAL SYSTEMS
 - DYNAMIC DRIVING TASK (DDT) FALLBACK AND MINIMAL RISK CONDITION (MRC)
 - PERFORM ALL OBJECT AND EVENT DETECTION AND RECOGNITION (OEDR)
 - MINIMIZE FALSE POSITIVES AND FALSE NEGATIVES
 - COMMUNICATE VIA WI-FI, CELLULAR, AND DEDICATED SHORT RANGE COMMUNICATIONS (DSRC)
 - PHYSICAL AND ELECTRONIC SECURITY
 - MANAGE DEPLOYMENT, VERIFICATION, AND DEPLOYMENT OF OVER-THE-AIR UPDATES (OTA)

STAGE 2

- **STAGE 1 PLUS:**
 - **OPERATIONAL DESIGN DOMAIN (ODD)**
 - DOES NOT REQUIRE MODIFICATIONS TO THE ENVIRONMENT
 - **BEHAVIORS**
 - MERGE AT SPEEDS BELOW 45MPH
 - DETECT AND NAVIGATE INTERSECTIONS WITH FLASHING YELLOW BALL, RED FLASHING BALL, ALL-WAY FLASHING RED
 - NAVIGATION WITHIN A TRANSIT CENTER
 - **FUNCTIONALITY**
 - MONITOR AND RECORD VIDEO AND AUDIO INSIDE THE BUS
 - TRANSIT SIGNAL PRIORITY (TSP)
 - SCMS FOR DSRC

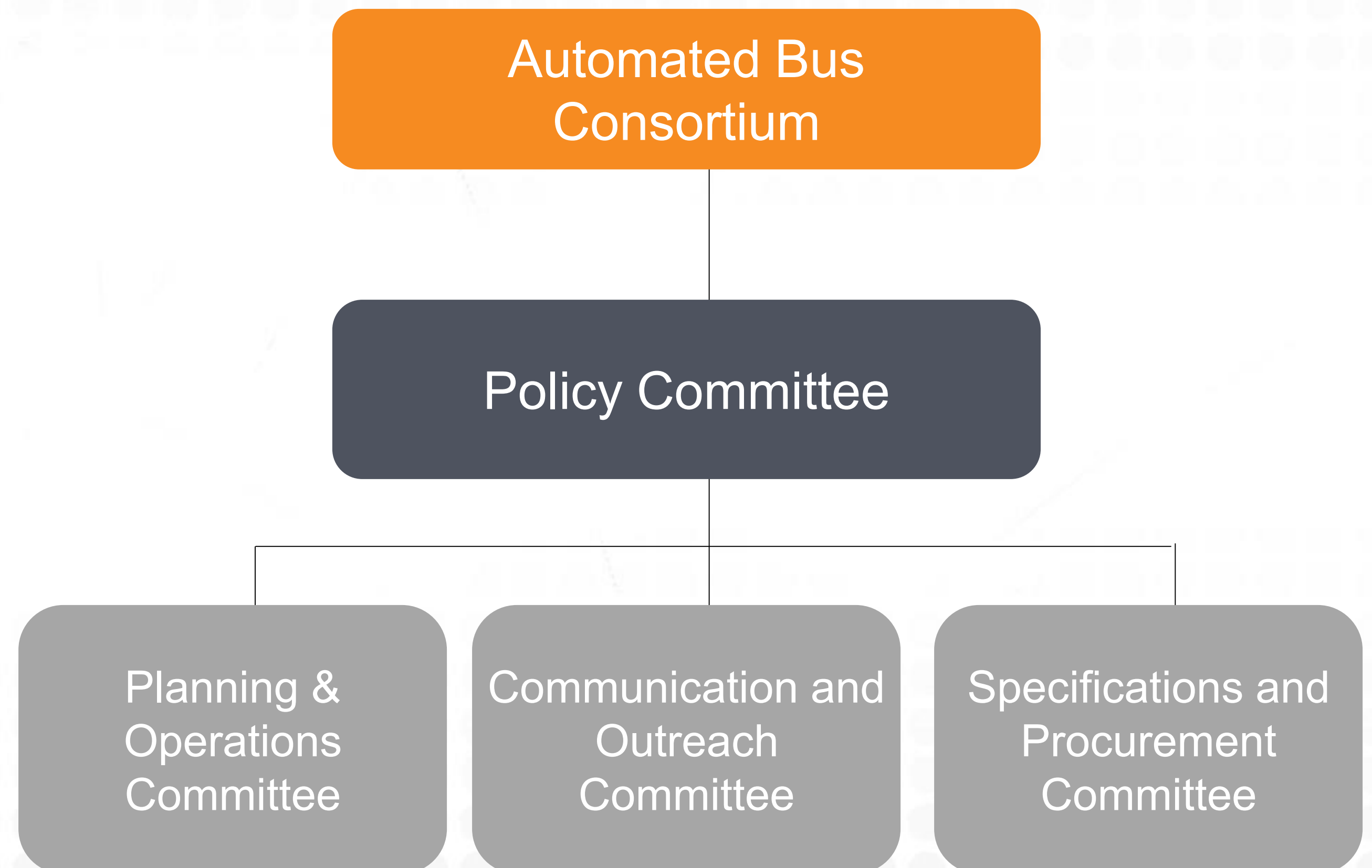
STAGE 3

- **STAGE 2 PLUS:**
 - **OPERATIONAL DESIGN DOMAIN (ODD)**
 - DETECT DEGRADED PAVEMENT CONDITIONS
 - DETECT AND RESPOND TO EMERGENCY VEHICLES AND SCHOOL BUSES
 - **BEHAVIORS**
 - PLAN AND EXECUTE A SAFE RETURN ROUTE TO MAINTENANCE YARD
 - MERGE AT SPEEDS ABOVE 45MPH
 - EXECUTE AN UNPROTECTED LEFT TURN
 - DETECT AND NAVIGATE INTERSECTIONS WITH YIELD SIGNS AND FLASHING YELLOW ARROWS
 - NAVIGATE ROUNDABOUTS
 - **FUNCTIONALITY**
 - DETECT DISRUPTIVE PASSENGER BEHAVIOR
 - ADA: DETECT AND SECURE WHEELCHAIRS, DETECTION AND INTERACTION WITH OTHER IMPAIRED PASSENGERS
 - CONFIGURABLE TSP

How will the Consortium Work?

Consortium Structure

- Developed to facilitate decision making
- Success requires participation from each agency at the policy and technical level



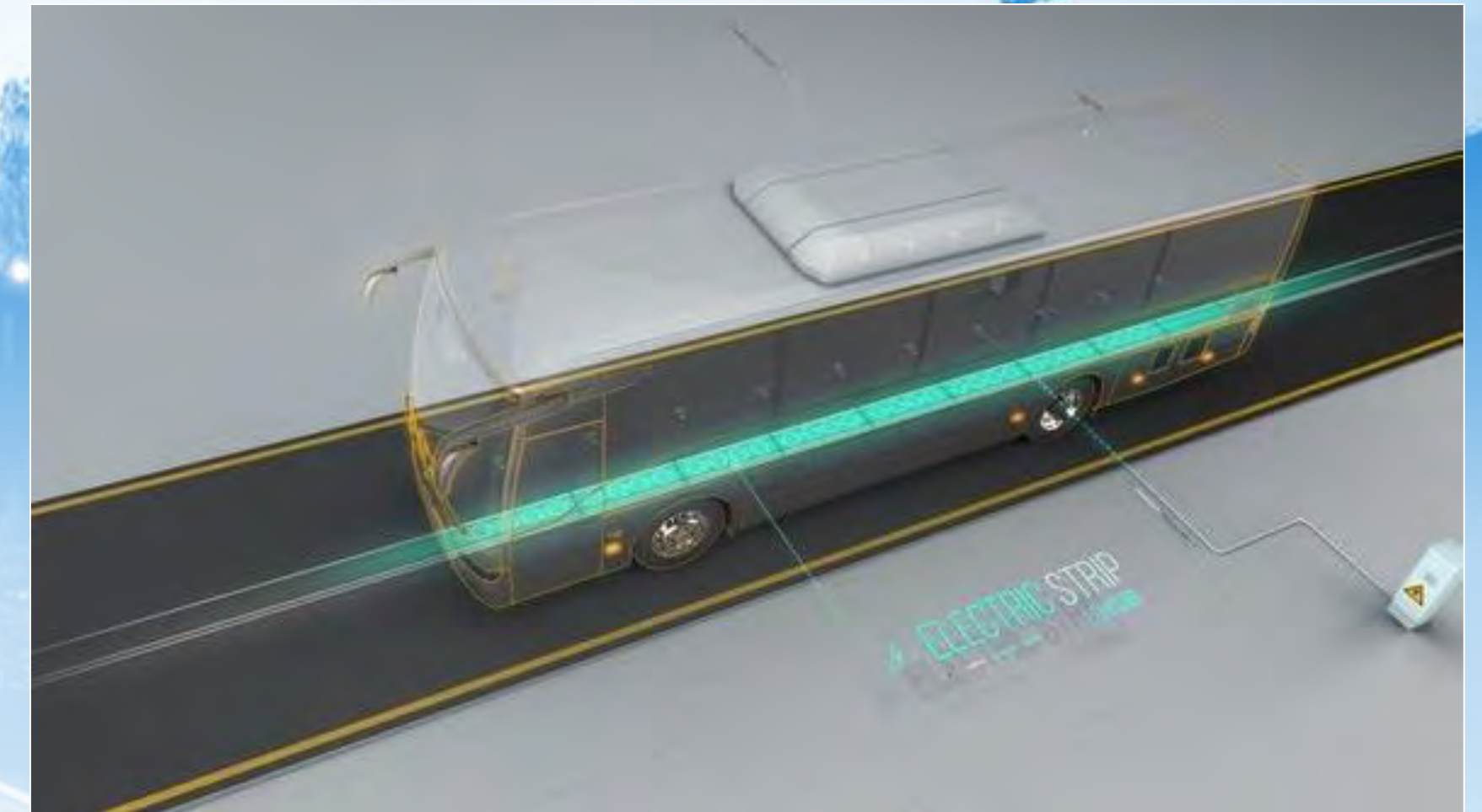
Next steps



**Electrification
Costs Vary:
Charging
Stations,
Infrastructure
Improvements
/ Distribution
Equipment,
Utility Costs**



**Each Agency will
develop and
implement a
charging strategy
for their Pilot
Project and system**





Revisions to Original Concept

1. Expand the automated bus procurement to “up to three vendors”
2. Set an objective of 50-60 buses for each vendor
3. Add additional agencies to the consortium
4. Accelerate feasibility planning to allow new agencies to “catch up”
5. Continue to charge \$100,000 for each new agency
6. Use any unexpended funds for early Phase 2 activities (up to receipt of bids from bus vendors)



Phased Approach from Feasibility to Implementation

1

Feasibility Phase (complete)

- Service Visioning/Pilot Projects
- National & Local Outreach
- Vehicle Specification
- Electric Charging Strategy
- Financial Planning
- Regulatory Clearance
- Risk Register
- Deployment Strategy
- Go/No-Go

GO/NO-GO
(7.01 –
9.30.20)

GO/NO-GO

2

A. Automated Bus Procurement

- Bid, Evaluate, Negotiate, and Award
- Testing Plan
- Funding Plan
- Electric Charging Design
- Regulatory Clearance

2B. Deployment

- Infrastructure Design
- Technology Testing
- Deployment/Construction
- Operation
- Evaluation
- Next Steps

WORK TASKS FOR PHASE 1 AND 2A	DELIVERABLES
1. Identify Candidate Pilots	Input from agency
2. Select Pilot Project and Define Deployment Strategy	Included in Feasibility Report
3. Update Risk Register	Risk Register Memo
4. Define National, State, and Local Regulatory Requirements	Included in Feasibility Report
5. Review Bus Specification	Comments from agency
6. Prepare Operations and Maintenance Plan	Input from Agency; Included in Feasibility Report
7. Prepare Financial Plan	Input from Agency; Included in Feasibility Report
8. Finalize Bus Specification	Final Specification
9. Define Connected Vehicle Infrastructure	Included in Feasibility Report

WORK TASKS FOR PHASE 1 AND 2A	DELIVERABLES
10. Obtain Bids from Bus Vendors	Bids and Evaluation Memo
11. Identify Which Agencies Want to Participate in Phase 2B	NA
12. Electrification Plan	Included in Feasibility Report
13. Prepare Feasibility Study Report	Feasibility Report
14. Define and Implement Outreach Program	Web Site and Outreach Materials
15. Hold Policy Committee Meetings	Meeting Minutes
16. Hold Technical Advisory Committee Meetings.	Meeting Minutes
17. Perform Project Management	NA

Automated Bus Consortium Phase 2: Implementation and Evaluation

▲ Bus Vendor Meetings
▲ Policy Committee Meeting

★ PHASE 1 COMPLETION Secure Funding

Testing Requirements for RFP

Define Deployment Strategy

Issue RFP for Bus Purchase

Vendors Prepare Proposals

Additional Agency Feasibility Analysis

Evaluate, Negotiate & Award

Manufacture Automated Buses

GO/NO GO

★ Prototype for Testing
National Testing

QA / QC Monitoring

Automated Bus Testing Plan

Confirm Pilot Projects

Electric Charging
Concept Design / Cost

Driver Training

Pilot Project Route Mapping, Configuration, Testing & Certification

Electric Charging / Infrastructure Design

Launch Date Planning

Bid & Award

Electric Charging / Infrastructure Construction

Construction Management

Clear Regulatory Requirements

Test Period (Stage 1)
Operations & Maintenance

Future Operations (Stages 2 & 3)

Data Management Plan

Evaluation Plan

Evaluation

Project Management/Risk Register

Strategic Replicability Plan

Outreach: Local & National

★ Commence Service

2020

2021

2022

2023

2024

2025



agenda item

DATE: December 3, 2020 DISPOSITION SOUGHT: Board Approval
 TO: SMART Board of Directors SUBMITTED BY: Deputy GM
 FROM: Purchasing Department APPROVED BY: Certification Committee

SUBJECT: LETC Site Improvement Project

RECOMMENDATION

That the Board adopts the attached resolution authorizing the award of a contract:

- for the purchase of Construction LETC Site Improvement Project
- to FH Martin Constructors
- for a one time purchase at a total cost of \$810,116.26

DISCUSSION

The site improvement project for Lake Erie Transit at 1105 West 7th Street is maintenance on the buildings, grounds and parking areas. The block structure on the building is showing cracks that are allowing weather (snow, rain, wind) into the structure. Maintenance will include having the caulk on the expansion seams refreshed and the buildings repainted with a durable weather coating of paint. In the parking areas the black top will be replaced with concrete to handle heavier vehicles. The detention pond will be dredged to its original elevation so the parking lot run-off is managed as required by the DEQ.

PROCUREMENT PROCESS

Procurement Method: Invitation to Bid Proposal Quotes Sole Source
 Advertising An RFP was advertised in the Michigan Chronicle and published June 16, 2020 on MITN
 #of downloads 222 potential vendors accessed the solicitation
 Number of offerors: 5 offers were received. 3 were deemed non-responsive based on financial submissions
 Rationale for award: FH Martin Constructors was both responsive and responsible, and determined to be the most advantageous to SMART with cost and experience being considered.

FUNDING & COSTS:

The project is funded via:

- 5307- MI-2016-025 Project 40410 State Grant 2012-0170 P42 (\$323,961.00)
- 5339- MI-2018-018 Project 40950 State Grant 2017-0130 P11 (\$245,276.00)
- 5307- MI-2018-018 Project 40940 State Grant 2017-0130 P11 (\$240,879.00)

The contract costs are summarized as follows:

	Cost
Total Max	\$810,116.26

ATTACHMENTS:

- Resolution
- Score Summary Evaluation

/RRR

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorizing the Award a Contract for LETC Site Improvement project

- Whereas, The Suburban Mobility Authority for Regional Transportation (SMART) has a need to purchase Construction Services for Lake Erie Transit Center (LETC) Site Improvement for maintenance on the buildings, grounds and parking areas; and
- Whereas, Request for Proposals for LETC Site Improvement Project was advertised and competitive bids were received; and
- Whereas, The Evaluation Committee determined that the proposal submitted by FH Martin Constructors was both responsive and responsible being the most advantageous to SMART and LETC with price and experience considered; and
- Whereas, The purchase for this project in the amount of \$810,116.26 is fully funded with Federal and State grants
- Whereas, The Director of Finance is satisfied that FH Martin Constructors has the potential to perform under the contract terms and conditions; and
- Whereas, The DBE Coordinator is satisfied that FH Martin Constructors is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now, therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve the purchase of the LETC Site Improvement Project in the amount of \$810,116.26 to FH Martin Constructors.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 3, 2020.

Date

No. _____

Board Secretary

LETC Site Improvement Project
 Control # 20-3192
 P.A. R Rayner

	Price	Experience	Total
Evaluation Score Summary	40	60	100

VENDOR	Member			
<i>FH Martin Constructors 28740 Mound Rd. Warren, MI 48092</i>	LETC	40.0	60.0	100.0
	LETC/HRC	40.0	60.0	100.0
	General Counsel	40.0	60.0	100.0
	Average *			100.0
<i>Spence Brothers 4130 Varsity Drive Suite A Ann Arbor, MI 48108</i>	LETC	39.0	50.0	89.0
	LETC/HRC	39.0	50.0	89.0
	General Counsel	39.0	50.0	89.0
	Average *			89.0

* Consensus Scoring



agenda item

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
 TO: SMART Board of Directors SUBMITTED BY: Deputy GM
 FROM: Purchasing Department APPROVED BY: Certification Committee

SUBJECT: Authorization to Award a Contract for Macomb Lounge Remodel

RECOMMENDATION

That the Board adopt the attached resolution authorizing the award of a contract:

- for the purchase of construction remodel services for the Macomb Terminal;
- to Cre8tive Construction, 7900 Grand River Rd., Brighton, MI 48114;
- at a total cost of \$303,165.00

DISCUSSION

SMART is remodeling a portion of the Macomb Maintenance area to create a separated soundproofed space for Bus Simulators and training. In addition, the driver’s lounge floor at the Macomb terminal is over 30 years old and is in very bad shape. Sections of the floor are missing, and other sections are peeling up. The floor needs to be replaced before it becomes a safety hazard. A polished concrete floor will be installed.

PROCUREMENT PROCESS

Procurement Method: Sealed Bid Proposal Quotes Sole Source
 Advertising: Michigan Chronicle and MITN
 #of downloads: 46
 Number of offerors: 11, 5 of which were responsive and responsible
 Rationale for award: Cre8tive Construction provided a proposal deemed most advantageous to SMART based on evaluation and price.

FUNDING & COSTS:

The project is funded via:

Fed MI-2016-025 (5307); Project No. 40270; State 2012-0170-P42

The contract costs are summarized as follows

	Cost
Remodel Costs	\$303,165
Total Cost	\$303,165

ATTACHMENTS:

- Resolution
- Bid Tabulation

/jdh

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorizing the Board Chair to Award a Contract for Macomb Lounge Remodel

- Whereas, SMART requires a remodel of the Macomb Lounge for prevention of safety hazards; and
- Whereas, A Request for Proposals (RFP) was advertised and competitive proposals were received; and
- Whereas, Cre8tive Construction submitted a responsive and responsible proposal and the price has been determined fair and reasonable; and
- Whereas, Funding in the amount of \$303,165 has been identified via: Fed MI-2016-025 (5307); Project No. 40270; State 2012-0170-P42; and
- Whereas, The Director of Finance is satisfied that Cre8tive Construction has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that Cre8tive Construction is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$303,165 to Cre8tive Construction.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

BID TABULATION

21-3190 Maccomb Lounge Remodel

PA: Jennifer Harding

VENDOR	COST PROPOSAL
Allied Building 1801 Howard St. Detroit, MI 48216	\$319,074
Cre8ative Construction 7960 Grand River Rd. Brighton, MI 48114	\$303,165
FH Martin 28740 Mound Rd. Warren, MI 48092	\$269,876
North American Construction Enterprise (NACE) 22920 Industrial Drive East St. Clair Shores, MI 48080	\$311,901
3LK Construction 1401 Howard St. Detroit, MI 48216	\$449,791



agenda item

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
 TO: SMART Board of Directors SUBMITTED BY: Deputy GM
 FROM: Purchasing Department APPROVED BY: Certification Committee

SUBJECT: Authorization to Award a Contract for Employee Dental Benefits

RECOMMENDATION

That the Board adopt the attached resolution authorizing the award of a contract:

- for the purchase of Employee Dental Benefits;
- to Delta Dental of Michigan, 27755 Stansbury Boulevard, Farmington Hills, MI 48334;
- at a total cost of \$\$2,161,062 (\$1,275,006 base period; two option years at \$443,028 annually with percentage increases to be determined).

DISCUSSION

SMART offers employee dental benefits as part of its compensation plan to all employees.

PROCUREMENT PROCESS

Procurement Method: Sealed Bid Proposal Quotes Sole Source
 Advertising: Michigan Chronicle and MITN
 #of downloads: 13
 Number of offerors: 1 Responsive offerors
 Rationale for award: Delta Dental provided a responsive and responsible proposal with costs found to be fair and reasonable.

FUNDING & COSTS:

The project is funded via:

GAL-FR-DWT-590-2907

The contract costs are summarized as follows

	3 Year Cost	5 Year Cost
Employee Dental Benefits	\$1,275,006	\$2,161,062
Total Cost	\$1,275,006	\$2,161,062

ATTACHMENTS:

- Resolution
- Bid Tabulation

/jdh

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorizing the Board Chair to Award a Contract for Employee Dental Benefits

- Whereas, SMART offers dental coverage as part of the Authority's compensation package available to all employees; and
- Whereas, A Request for Proposals (RFP) was advertised and published for dental benefits; and
- Whereas, Delta Dental submitted a responsive and responsible proposal and the price has been determined fair and reasonable; and
- Whereas, Adequate funding is in the Authority's general account GAL-FR-DWT-590-2907; and
- Whereas, The Director of Finance is satisfied that Delta Dental has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that Delta Dental is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$1,275,006 for the 3-year base contract; \$2,161,062 for 5 years including option years to Delta Dental.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Bid Tabulation
 Employee Dental Benefits
 RFP 21-3220
 PA: Jennifer Harding

Vendor	Year 1	Year 2	Year 3*
Delta Dental 27755 Stansbury Boulevard, Suite 150 Farmington Hills, MI 48334	\$ 415,989.00	\$ 415,989.00	\$ 443,028.00
3 Year Base Total	\$ 1,275,006.00		

Option Yr 4**	Option Yr 5**
\$ 443,028.00	\$ 443,028.00

* Year 3 includes 6.5% increase

** Option Years 4 and 5 have percentage increases TBD



agenda item

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
 TO: SMART Board of Directors SUBMITTED BY: Deputy GM
 FROM: Purchasing Department APPROVED BY: Certification Committee

SUBJECT: Authorization to Award a Contract Bus Wipe Down / Sanitizing

RECOMMENDATION

That the Board adopt the attached resolution authorizing the award of a contract:

- for the purchase of Bus Wipe Down and Sanitizing Services;
- to RNA Facilities Management, 717 W. Ellsworth Road, Ann Arbor, MI 48108;
- at a total cost of \$\$1,093,738 (546,869 base period; option of 6 additional months at \$546,869).

DISCUSSION

Fixed Route fleets require en route cleaning and sanitizing / germ containment in response to COVID-19.

PROCUREMENT PROCESS

Procurement Method: Sealed Bid Proposal Quotes Sole Source
 Advertising: Michigan Chronicle and MITN
 #of downloads: 39
 Number of offerors: 5 Responsive offerors
 Rationale for award: RNA Facilities Management provided the lowest responsive, responsible quote.

FUNDING & COSTS:

The project is funded via:

Fed MI-2020-052 (CARES ACT); Project No. TBD; State N/A

The contract costs are summarized as follows

	Cost
Bus Wipe Down / Sanitizing	\$1,093,738
Total Cost	\$1,093,738

ATTACHMENTS:

- Resolution
- Bid Tabulation

/jdh

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorizing the Board Chair to Award a Contract for Bus Wipe Down / Sanitizing

- Whereas, SMART requires a en route bus cleaning and sanitizing in response to COVID-19; and
- Whereas, A Request for Proposals (RFP) was advertised and competitive quotes were received; and
- Whereas, RNA Facilities Management submitted a responsive and responsible quote and the price has been determined fair and reasonable; and
- Whereas, Funding in the amount of \$1,093,738 has been identified via: Fed MI-2020-052 (CARES ACT); Project No. TBD; State N/A; and
- Whereas, The Director of Finance is satisfied that RNA Facilities Management has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that RNA Facilities Management is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$1,093,738 to RNA Facilities Management.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Bid Tabulation
 21-3301 Bus Wipe Down
 PA: Jennifer Harding

VENDOR	PRICING	Month-to-Month
Global Green 7113 Powers Ave. Dearborn Heights, MI 48125	\$936,945	\$156,157.50
Master Maintenance 2701 Interstate 94 Service Dr. Ypsilanti, MI 48198	\$1,794,431	\$299,072
SERVPRO 6001 Cass Ave. Office 03-119 Detroit, MI 48202	\$10,218,104	\$1,703,017
LAZ Parking 19 Clifford St. Detroit, MI 48226	\$1,869,606	\$311,601
RNA Facilities Management 717 W. Ellsworth Rd. Ann Arbor, MI 48108	\$546,869	\$91,145

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
 TO: SMART Board of Directors SUBMITTED BY: Deputy GM
 FROM: Procurement Department APPROVED BY: Certification Committee

SUBJECT: Authorization for Purchase Order Change Action (POCA) #1– Electrostatic Bus Spraying

RECOMMENDATION

That the Board adopt the attached resolution authorizing a purchase change order action:

- for additional electrostatic bus sprays continued through 4/30/2021.
- to Stratus Building Solutions., located at 2110 E. Walton Blvd., Ste. B, Auburn Hills, MI 48326
- at an additional cost of \$92,050.0

DISCUSSION

In April, 2020, the Board approved a contract for electrostatic bus sprays for the Macomb, Wayne and Oakland terminals. The work continues and has been enhanced with COVID-19-related electrostatic sprays, requiring additional funds exceeding the allowable threshold as stipulated in SMART Board Policy No. 1. The price submitted is consistent with the original pricing submitted for the competitive contract and electrostatic sprays quotes. SMART’s staff has determined that the cost as outlined by Stratus Building Solutions is fair and reasonable.

FUNDING & COSTS:

The project is funded via:

Federal MI-2020-052 CARES Act; Project No. In Process; State N/A \$92,050.

Stage	Board Approval Date/Requested	Work	Cost
Original Project	4/23/2020	Electrostatic Bus Sprays	\$78,900
POCA #1	12/10/2020	Continued electrostatic bus sprays	\$92,050
		Cumulative TOTAL	\$170,950.00

ATTACHMENTS:

- Resolution

/JH

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorizing Purchase Order Change Action #1 for Electrostatic Bus Sprays

- Whereas, The Suburban Mobility Authority for Regional Transportation (SMART) transit buses require disinfectant cleaning in response to COVID-19, and
- Whereas, The contract for electrostatic sprays will continue for 6 additional months for all buses at the Macomb, Oakland, and Wayne terminals; and
- Whereas, Quotes and adequate competition was received; and
- Whereas, Upon evaluation, it was determined that the quote submitted by Stratus Business Solutions was deemed most cost effective to SMART; and
- Whereas, The Director of Finance is satisfied that Stratus Business Solutions has the potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that Stratus Business Solutions is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; and
- Whereas, Adequate funding is available in 5307 CARES ACT Funding; now, therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve POCA #1 in the amount of \$92,050, for electrostatic bus sprays at a total contract cost of \$170,950.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____



agenda item

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
 TO: SMART Board of Directors SUBMITTED BY: Deputy GM
 FROM: Purchasing Department APPROVED BY: Certification Committee

SUBJECT: Authorization to Award a Contract Fiberglass Seating Onserts

RECOMMENDATION

That the Board adopt the attached resolution authorizing the award of a contract:

- for the purchase of Fiberglass Seating Onserts;
- to American Seating, 801 Broadway Avenue NW, Grand Rapids, MI 49504;
- at a total cost of \$847,328.88.

DISCUSSION

Fixed Route fleets require replacement of cloth seating to a durable fiberglass seating onserts in response to COVID-19 and sanitizing / germ containment.

PROCUREMENT PROCESS

Procurement Method: Sealed Bid Proposal Quotes Sole Source
 Advertising Michigan Chronicle and MITN
 #of downloads 13
 Number of offerors: 3 Responsive offerors
 Rationale for award: American Seating provided the lowest responsive, responsible quote.

FUNDING & COSTS:

The project is funded via:

Fed MI-2020-052 (CARES ACT); Project No. TBD; State N/A

The contract costs are summarized as follows

	Cost
Fiberglass Seating Bus Onserts & Hardware/Brackets	\$847,328.88
Total Cost	\$847,328.88

ATTACHMENTS:

- Resolution
- Bid Tabulation

/jdh

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorizing the Board Chair to Award a Contract for Fiberglass Seating Onserts

- Whereas, SMART requires a replacement of cloth seating in response to COVID-19; and
- Whereas, A Request for Quotes (RFQ) was advertised and competitive quotes were received; and
- Whereas, American Seating submitted a responsive and responsible quote and the price has been determined fair and reasonable; and
- Whereas, Funding in the amount of \$847,328.88 has been identified via: Fed MI-2020-052 (CARES ACT); Project No. TBD; State N/A; and
- Whereas, The Director of Finance is satisfied that American Seating has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that American Seating is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$847,328.88 to American Seating.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Bid Tabulation
Fiberglass Seating Onserts
RFQ 21-3228
PA: Jennifer Harding

Vendor	Quote
American Seating 801 Broadway Avenue NW Grand Rapids, MI 49504	\$ 847,328.88
Bergen Seating 125 N Michigan Ave Kenilworth, NJ 07033	\$ 913,898.64
Gillig 25972 Eden Landing Road Hayward, CA 94545	\$ 908,090.96

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorization to Award a Contract for Compensation Study Service

- Whereas, SMART has a need for a Compensation Study Service; and
- Whereas, A Request for Proposals (RFP) was advertised and competitive proposals were received; and
- Whereas, Upon evaluation, Educational Data Systems, Inc. (EDSI) submitted a responsive and responsible proposal and acquired the highest score. The price was determined fair and reasonable; and
- Whereas, Funding in the amount of \$59,850 will be funded by Operating funds; and
- Whereas, The Director of Finance is satisfied that Educational Data Systems (EDSI) has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that Educational Data Systems Inc. (EDSI) is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$59,850 to Educational Data Systems Inc. (EDSI).

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Summary - Score sheet Evaluation
RFP 21-3278
Compensation Study

		Work Experience and Qualifications of Staff	Proposed Method and Timeline	Price	Total
		50	20	30	100
VENDOR	Member				
EDSI	Finance	50.0	20.0	22.0	92.0
	General Council	50.0	20.0	22.0	92.0
	Human Resource	50.0	20.0	22.0	92.0
	Average	50.0	20.0	22.0	92.0
Segal	Finance	45.0	16.0	8.0	69.0
	General Council	45.0	16.0	8.0	69.0
	Human Resource	45.0	16.0	8.0	69.0
	Average	45.0	16.0	8.0	69.0
MGT	Finance	30.0	15.0	30.0	75.0
	General Council	30.0	15.0	30.0	75.0
	Human Resource	30.0	15.0	30.0	75.0
	Average	30.0	15.0	30.0	75.0

DATE: December 10, 2020 DISPOSITION SOUGHT: Board Approval
TO: SMART Board of Directors SUBMITTED BY: Deputy GM
FROM: Purchasing Department APPROVED BY: Certification Committee

SUBJECT: Authorization to Award a Contract for Uniform Rental and Laundry Service

RECOMMENDATION

That the Board adopt the attached resolution authorizing the award of a contract:

- for uniform rental and laundry service
- to Unifirst located at 6400 Monroe Blvd, Taylor, MI 48180
- for 2 years with two 2-year renewal options
- at a total four year cost of \$403,618

DISCUSSION

SMART has approximately 151 maintenance employees and 15 supervisory employees. They are represented by UAW or AFSCME unions. The collective bargaining agreements include the provision of uniforms addressing quantities of shirts, pants, jackets, and coverall where applicable. The contractor will be responsible for providing, cleaning and repairing uniforms. The vendor has agreed to provide new uniforms after two years in compliance with the bargaining agreement.

PROCUREMENT PROCESS

Procurement Method: Sealed Bid Proposal Quotes Sole Source
Advertising Michigan Chronicle and Michigan Inter-governmental Trade Network
#of downloads 7
Number of offerors: 2
Rationale for award: The evaluation and selection committee determined Unifirst submitted the proposal that was most advantageous to SMART with price and other factors being considered. Price was determined to be fair and reasonable.

FUNDING & COSTS:

The project is funded via: Operating funds

The contract costs are summarized as follows:

	Cost
Base 2 years - Year 1 & 2 From 3/1/21 - 2/28/23	\$129,538
Option year 1 (for 2 years) - Year 3 & 4 From 3/1/23 – 2/28/25	\$137,340
Option year 2 (for 2 years) - Year 4 & 5 From 3/1/25 – 2/28/27	\$137,340
Total Max	\$403,618

ATTACHMENTS:

- Resolution
- Score sheet summary

/mp

SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION

RESOLUTION

Authorization to Award a Contract for Uniform Rental and Laundry Service

- Whereas, SMART is in need of a uniform rental and laundry service for the maintenance and maintenance supervisory employees; and
- Whereas, A Request for Proposal (RFP) was advertised and competitive proposals were received; and
- Whereas, Upon evaluation Unifirst acquired the highest score and submitted a responsive and responsible proposal. The price was determined fair and reasonable; and
- Whereas, Funding in the amount of \$403,618 will be funded by Operating funds; and
- Whereas, The Director of Finance is satisfied that Unifirst has potential to perform under the contract terms and conditions; and
- Whereas, The EEO Department is satisfied that Unifirst is in compliance with the equal opportunity/affirmative action policies of the Federal and State governments and the affirmative action policies of SMART; now, therefore be it
- Resolved, That the Suburban Mobility Authority for Regional Transportation is hereby authorized to approve a contract in the amount of \$403,618 to Unifirst for two years with two 2-year renewal options.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility Authority for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on December 10, 2020.

Date

Board Secretary

No. _____

Summary - Score sheet Evaluation
RFP 21-3268
Uniform Rental & Laundry Service

Consensus Scoring Method	Responsiveness to stated objectives and scope of work	Work Plan	Qualifications and Experience of Vendor	Experience and Technical Expertise of Staff	Price	Total
	15	20	15	10	40	100
VENDORS						
Unifirst	15	20	15	10	40	100
Cintas	15	20	10	10	17	72