

PURCHASE OF SERVICE AGREEMENT

THE ANN ARBOR AREA TRANSPORTATION AUTHORITY (hereinafter referred to as "Authority"), 2700 South Industrial Highway, Ann Arbor, Michigan 48104, and Pittsfield Township, (hereinafter referred to as "Purchaser"), 6201 West Michigan Avenue, Ann Arbor, Michigan 48108, in consideration of the mutual promises contained herein, do hereby agree as follows:

1. TERM

The term of this Agreement is fifteen month period, January 1, 2016 through September 30, 2016.

2. SERVICE PROVIDED

2.1 The Authority will provide public transit service according to the map(s) and schedule(s) for routes 4, 5, 6, 7(24), 16(25), 22(66), 27, 67, and 61 other service descriptions contained in the Ride Guide included as Exhibit #1, and made part hereof. Said route(s) and schedule(s) may be modified by the Authority, at its discretion, for reasons including but not limited to those set forth in Section 4 below, subject to the procedures set forth in the Policy for Public Input on Service and Fare Changes attached hereto as Exhibit #3.

2.2 The Authority will supply the Purchaser with quarterly service reports that will include boarding information for fixed route and demand responsive service.

3. DESIGNATED REPRESENTATIVES

The Purchaser agrees to designate a representative as its agent to work in cooperation with designated representatives for the Authority, overseeing the conduct of this service, modifications thereto and evaluation thereof. Nothing herein will be construed to limit the legal powers of the Authority or of the governing body of any governmental unit.

4. FINANCIAL MANAGEMENT

4.1 Payments by Purchaser

Per the request of Pittsfield Township, the Authority recalculated all of the costs to align with the AAATA's fiscal year. The calculation of revenues is included as Exhibit #2. The term is for eight (8) months to adjust to AAATA's fiscal year ending September 30, 2016:

January- September 2016	<u>\$ 486,677</u>
Total obligation	\$ 486,677

Purchaser agrees to pay this amount in equal monthly payments. The Authority will submit invoices to the Purchaser monthly, on or about the first day of each month. The Authority will refund to the Purchaser any overpayment resulting from a reduction in service.

4.2 Financial Assumptions, Power of Authority to Modify Services

It is expressly understood by the parties that the charges to the Purchaser are based on the Authority's Annual Operating Budget including the projected level of expenses and revenues necessary to

implement the Annual Service Plan. The annual service hours and expenses and the calculation of the projected revenues to meet these fixed-route and demand-response expenses are attached as Exhibit #2. In the event that variances in costs or revenues render it impossible, in the reasonable judgment of the Authority, to provide the number of service hours at the local costs indicated in Exhibit #2 without undue financial loss, the parties will renegotiate such hours and charges.

4.3 Mutual Cooperation Among Governmental Units

It is further understood and agreed that the other governmental units or entities have entered or are expected to enter into similar contracts with the Authority. Transit services covered by this and other contracts are interdependent such that if any purchaser breaches its contract, fails to enter into a contract, or terminates its agreement, the Authority may modify, reduce, or cancel routes or hours of service covered under this Agreement subject to the procedures contained in Exhibit #3.

4.4 Fares

It is expressly understood that determination of fare levels and all policies relating to fare collection and administration will be the responsibility of the Authority and may be modified during this agreement subject to the procedures contained in Exhibit #3.

5. EQUIPMENT

The Authority will provide all hardware and vehicles necessary for the service to be rendered hereunder, will maintain said equipment and will retain ownership of said equipment.

6. PERSONNEL

The Authority will provide the personnel necessary to fulfill its obligation hereunder, and retains complete authority in hiring, regulation and termination of said personnel.

7. INDEMNIFICATION

The Authority will indemnify Purchaser and hold Purchaser harmless from all claims, suits, actions and damages resulting from operation of vehicles conducted by the Authority under this Agreement except to the extent that such damages are caused by the Purchaser. It is not the intent of the Authority to waive any governmental immunity otherwise available to it. Purchaser, subject to any governmental immunity available to it, will indemnify and hold the Authority harmless from all claims, suits, actions, and damages caused by its officers, agents, or employees except to the extent caused by the Authority.

8. ASSIGNMENT

This Agreement will not be assigned by either party without the written consent of the other.

9. EXTENSION

It is the intent of the parties to engage in this service for a period longer than that cited in Paragraph 1, providing that the service is satisfactory to the parties. Therefore, the parties agree that this Contract shall be extended for successive periods of one year each unless a party notifies the other of its intent not to renew no less than 90 days before the end of the prior period, the same terms and conditions

provided, however, that Exhibit #2 and the terms set forth in Paragraph 4 will be renegotiated. In the event that the parties fail to reach agreement on any or all of these items, then this extension will be null and void and of no effect.

10. TERMINATION

Either party may cancel its participation in this agreement or terminate any services provided under this agreement at any time without further liability upon providing 120 days-notice in writing to the other party of intent to cancel.

11. EQUAL EMPLOYMENT OPPORTUNITY

In connection with the execution of this Contract, the Authority will not discriminate against any employee or applicant for employment because of race, religion, color, sex, handicap, age, or national origin, other than as a bonafide occupational qualification. The Authority represents that it has taken and will continue to take affirmative actions to ensure that applicants are selected, and that employees are treated during their employment, without regard to their race, religion, color, sex, handicap, age or national origin.

12. MODIFICATION OF AGREEMENT

This contract may be modified in writing by mutual agreement of the parties.

13. EVIDENCE OF INSURANCE

The Authority shall obtain and maintain during the term of this Agreement the following insurance:

- a. Workers Compensation insurance with Michigan statutory limits and employers liability insurance with minimum limits of \$500,000 each accident.
- b. Public liability insurance with limits of no less than \$1,000,000 each occurrence and aggregate for bodily injury and property damage, as well as an umbrella policy with limits no less than \$5,000,000. The Purchaser is named as additional insured as respects general liability claims resulting from the operation of the Ann Arbor Transportation Authority. The policy of insurance must be current and must be accompanied by a statement, which indicates that the policy shall not be canceled, without at least sixty (60) days prior notification to the Purchaser, of such cancellation.
- c. Automobile liability insurance covering all owned, hired and non-owned vehicles, with personal protection insurance and property protection insurance to comply with the provisions of the Michigan No-Fault Insurance law, including residual liability insurance with minimum limits of \$1,000,000 combined single limits bodily injury and/or property damage each accident. The policy of insurance must be current and must be accompanied by a statement, which indicates that the policy shall not be canceled, without at least sixty (60) days prior notification to the Purchaser, of such cancellation.

Executed in duplicate this _____ day of _____, 2016.

ANN ARBOR AREA
TRANSPORTATION AUTHORITY

PITTSFIELD TOWNSHIP

Matt Carpenter
Chief Executive Officer

Pittsfield Township

Exhibit# 2

The below chart illustrates the costs for service for the term of the contract. The budgeted numbers below were calculated based on a transition back to AAATA's Fiscal Year. These number are for eight (8) months of AAATA's 2016 Fiscal Year ending on September 31.

	<u>Jan1 – Dec 31, 2016</u>
Core Services (Routes 4,5,6,7,16,22)	\$ 80,401
Route 27	\$ 34,978
Route 67	\$ 102,862
Route 61	\$ 5,830
Demand Response (A-Ride) with new area	\$ 112,120
Total of Services	\$ 336,191
Capital Costs for new Buses	\$ 150,487
<u>Grand Total</u>	\$ 486,678

Year 3 – Beginning May 2016

*May 2016 Service Plan

Route 27 between Meijer (Ann Arbor Saline Road) and Downtown Ann Arbor

This Route connect the Blake Transit Center with the Meijer on Ann Arbor Saline Road with service every 45 minutes along Oak Valley Drive.

*August 2016 Service Plan

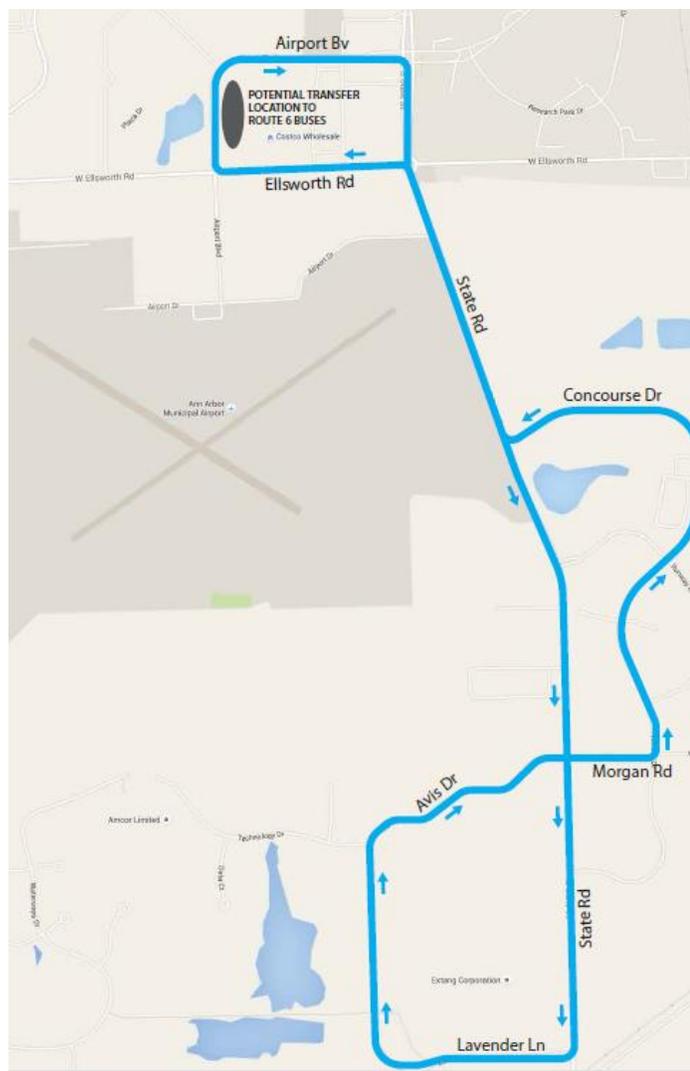
Route 6 between Meijer (Carpenter) and Downtown Ann Arbor

- Added trips weekdays to provide more frequent service between downtown Ann Arbor and Meijer (Carpenter) including service to U-M central campus and Briarwood Mall.
- New trips on #6 Ellsworth route will provide service on Airport Blvd. between S. State and Ellsworth and on Ellsworth between Airport Blvd. and S. State including stops at Costco and Zingerman's Bakehouse
- Service expansion on #6 Ellsworth route included in the 5YTIP which is currently scheduled for August 2017 implementation would be moved up to August 2016. Cannot be done sooner because of delivery schedule of new buses which are required for this service expansion.

Route 61 along the State Street Business District and Costco (via Airport Blvd)

- Does not need to be coordinated with Saline service
- Service every 30 minutes during weekday peak periods (same frequency and time period as in 5YTIP)
- Coordinated transfers with #6 Ellsworth route - Bus on new route will meet #6 Ellsworth route buses for riders to connect without waiting
- Service can be expanded in the future (e.g. midday service) if desired by Pittsfield Twp.
- Implemented in August, 2016 to coincide with new date for service expansion on #6 Ellsworth route

Route 61 Draft Alignment – for budgeting purposes only



Dial-A-Ride Service For People with Disabilities and Seniors - 2016

Current A-Ride Service

BASE SERVICE

A-Ride trips are provided within a 3/4 mile radius from any active TheRide regular bus route. This is referred to as the “Base Service Area” (formerly Core Service Area in the A-Ride Users’ Guide). A-Ride trips are also available within Pittsfield Township.

Base Service Hours (Updated)

- Weekdays 6:30AM to 10:45PM
- Saturdays 8AM to 7:45PM
- Sundays 8AM to 6:30PM

Township Service Hours (outside Base Area)

- Weekdays only 6:30AM to 6:30PM

A-Ride does not operate on the following holidays

- Easter
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving
- Christmas Day
- New Year’s Day

Service ends at 6:45PM on Christmas Eve and New Year’s Eve.

Township Service

Eligible residents of Pittsfield Township who reside beyond the Base Service Area may travel within their own township from 6:30AM to 6:30PM, Monday - Friday. Pittsfield Township residents may reserve will-call trips and trips going to and from the city of Ann Arbor during these times.

Advance trip requests for trips within the hours above are available to eligible residents of Pittsfield Twp. to the following locations:

- St. Joseph Mercy Hospital
- Washtenaw Community College
- Domino Farms (UofM Lobbies)
- EAAHC (Rachel Upjohn & Geriatrics Center)

ARide Service 2016

The “Base Service Area” expands in August 2016 with the implementation of Route 61 through the middle of the Township transitioning some current township restricted riders into base riders able to travel during the extended daily and weekend hours based on our fixed route bus schedule.

With the addition of Route 61 into the Township the “Base Service Area” grows to include $\frac{3}{4}$ of a mile surrounding State Street. (Shown on the map below in Yellow) These improvements further reduce the “Township Service Area” and increase the hours offered to A-Ride users within the Township.

New Service Map – ARide 2016

