

## Memo


**To:** Northfield Township Board  
**From:** Howard Fink  
**Date:** 7/21/2016  
**Re:** Peoples Express

---

Dear Township Board,

At the previous meeting, the board wanted to have a contract to discuss for People's Express. The contract is the same as the previous year, unless the board wishes changes to be made. Please let me know how I may be of assistance in this matter or if you need any information researched. Ultimately, this is a policy decision of the board regarding allocation of resources.

Respectfully Submitted,



Howard Fink, Township Manager

## CONTRACT

This contract is entered into by Northfield Township (hereinafter referred to as Township) and People's Express of 10 Jennings Road, Whitmore Lake, MI, a non-profit corporation (hereinafter referred to as PEX). This contract begins January 1<sup>st</sup>, 2016 and expires December 31<sup>st</sup>, 2016.

---

### 1. Purpose

The purpose of this contract is to provide transportation assistance to citizens of Northfield Township and provide a system for payment for services by users and to provide a mechanism by which the Township can provide assistance to citizens of Northfield Township who require low-cost transportation.

### 2. Scope and Description of Services

PEX will perform in a timely fashion for the residents of the Township, transportation services with an area shown on Exhibit A to this agreement and made part hereof.

PEX will at all times maintain its equipment in good mechanical condition in conformity with all applicable safety regulations, and will keep all vans and/or buses in clean condition, subject to inspection by the Township at all times. PEX warrants that it now has and will continue to have during the term of this Agreement all necessary licenses, certification, or other documents required by any governmental agency, federal, state, which authorize or permit the operation of a public transportation service, including, but not limited to, inspection and certification by the Michigan Department of Transportation. PEX will provide copies of certificates from

the Michigan Department of Transportation for all vehicles that operate within the Township.

PEX will utilize drivers for this service who are properly qualified and lawfully licensed for the service provided in the vehicles used, and have received appropriate safety training. Drivers shall display proper courtesy toward passengers and maintain a neat and clear appearance.

PEX shall maintain upon its vans and/or buses appropriate signage or markings indicating that the services "People's Express" is to be identified by users of the service. PEX will abide by the policies and statements set forth in this Agreement and this policy shall not be revised without the written consent of the Township.

### 3. Terms of Payment Services

The Township shall pay to PEX the sum of \$10,000.00 annually. With this contract, PEX can leverage an additional \$10,000.00 in federal funds, bringing Township-funded transportation to \$20,000.00 annually. The Ann Arbor Area Transportation Authority (AAATA) has provided 2 grants to PEX. The first grant is for medical rides reserved for seniors or persons with disabilities. The second grant is for anyone going to work. These trips may only go to the Ann Arbor-Ypsilanti Urban Area. The cost for these rides will cost Township residents between \$5 and \$7 each way. There is no cost to the Township for these rides.

### 4. Legal Standing of the Parties

The parties of this Agreement mutually agree that PEX, as of the date of the Agreement, is not a mass transportation authority as provided under Act 55 of 1963 MCLA 5.3475 eq. seq. It is further agreed, that in the event PEX becomes a regional

transportation authority, which expands service to communities bordering the Township with Salem Township, Green Oak Township, Ann Arbor Township, etc., that upon the date of such expansion this Agreement will be renegotiated by the parties to reflect efficiency and reduce the annual costs of the Township by an amount up to twenty (20%) percent dependent upon the size of the Michigan Department of Transportation grant received. In the event the parties are unable to reach a modified agreement, either party may terminate this Agreement upon ninety (90) days notice to the other.

5. Fares Charged to the General Public

The parties agree that PEX shall charge any resident of the Township utilizing its services \$2.00 for each one-way trip within the Township, and no more than \$4.00 per round-trip. Seniors and persons with disabilities will pay \$1.00 each way for service.

6. Unavoidable Delay

In the event of severe weather conditions, road conditions, strikes or conditions totally beyond PEX's reasonable control, PEX shall notify the Township and its appropriate local officials in as much advance as possible of the effect of such conditions on service. PEX shall provide substitute vehicles, which otherwise meet all requirements set forth in this agreement, in the event of mechanical problems or other inability to provide service.

7. Insurance

PEX shall carry and keep in force a comprehensive general liability insurance policy covering the use, maintenance, and operation of vehicles in amounts not less than the

following:

Three Million (\$3,000,000.00) Dollars combined single limit of liability for each occurrence for Bodily Injury Liability and Property Damage Liability.

Such policy shall be in a form reviewed and approved by the Township. PEX shall have the Township named as an additionally insured on its policies. PEX, its successors, assigns, officers, directors, employees, and agents shall hold the Township and its employees and legal officials harmless from any liabilities, obligations, losses, damages, claims, or costs, including legal fees and expenses incurred by or asserted against PEX resulting from any of the following:

1. Failure of PEX to operate bus service and conformance with law or this contract;
2. Violation of PEX of any of the provisions of this Agreement;
3. Any act or failure by any officers, director, employee, or agent of PEX; and
4. Any injury to a person, loss of life, or loss of destruction of property rising out of or relating to the operation of this service.

PEX will promptly notify the Township in writing of any claim or liability which PEX believes to be covered under this paragraph. PEX shall properly accept tender of defense in connection with any claim or liability which PEX has herein agreed to identify and the Township shall be kept properly informed of the status of the proceedings and shall properly be furnished with copies of all documents filed or service upon Plaintiff's and shall be furnished in advance with copies of all documents for proposed to be filed and served by his defense counsel. In the event of suit, PEX shall not without first obtaining approval of the Township, settle or compromise any claims, suit, or action proceeding in respect to which PEX has

agreed in writing in the event there is any prospect that the Township shall be named as Defendant or looked to for any payment of any sum arising out of litigation.

PEX hereby waives any and all right to indemnification and subrogation from the Township for any and all claims, and will obtain a waiver of indemnification and subrogation for any and all claims with respect to the Township from its insurance carrier. PEX will provide a copy of both its waiver and its insurance carrier's waiver to the Township.

8. Prohibited Interests

The parties to this Agreement certify that no member, officer, or employee of PEX or the Township, having direct or indirect control over this Agreement, shall, during his/her employment or in tenure with the Township, and two (2) years thereafter, shall have any interest direct or indirect in this Agreement or the proceeds of it.

9. Equal Employment Opportunity

In the event of PEX's violation of Federal or State civil rights laws, or allegations of noncompliance with any civil rights regulation shall permit the Township to void this Agreement, and sanctions or penalties if imposed upon the Township shall be the responsibility of PEX. During the performance of this contract, PEX agrees as follows:

1. That it will not discriminate against any employees or applicant for employment because of race, color, religion, sex, national origin, ancestry, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority

persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.

2. That if it hires additional employees to perform this contract or any portion of it, it will determine the availability, in accordance with the state law, minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

---

3. That in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, national origin, ancestry, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.
4. That it will send to each labor organization or representative of workers, if bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the contractor's obligation under the Department of Human Rights and the Department's Rule and Regulations for the State of Michigan. If any such labor organization or representative fails or refuses to cooperate with the contractor in its efforts to comply with such Act and Rules and Regulations, the contractor will promptly so notify the Department of Human Rights and the contracting agency will recruit employees from other sources when necessary to fulfill its obligations under this Agreement.
5. That it will submit reports as required by the State authorizing, furnish all relevant information as may from time to time be requested and all respects comply with

the Elliot Larson Act, Rules and Regulations of the Equal Opportunity Commission of the Federal Government.

6. That it will permit access to all relevant books, records, accounts, and work sites by personnel of the City or State of Michigan, for purposes of investigation to ascertain compliance with State law.

10. Independent Contractor.

PEX's relationship with Township under this Agreement is that of independent contractor and not that of employee, partner, or joint venturer. PEX shall be responsible for payment of any and all expenses associated with PEX's activities under this Agreement. PEX shall be responsible for payment of its own federal, state, and local taxes. PEX shall not participate in Township's fringe benefit plans or programs. PEX shall not enter into any agreement or commitment on behalf of Township nor hold itself out as having such authority.

11. Notices

All notices required pursuant to this Agreement shall be in writing and shall be served upon the parties at the address listed in this Agreement. Delivery to an officer authorized to receive notices or the mailing of the notice by registered mail, return receipt requested, shall be sufficient notice.

12. Governing Laws

This Agreement shall be interpreted under and governed by the laws of the State of Michigan.

13. Compliance with Laws



PEX agrees to comply with all applicable statutes, ordinances, and regulations of the United States and State of Michigan, and units of local government.

14. Headings

The section headings of this Agreement are for convenience and reference only and in no way define, limit, or describe the scope of intent of this Agreement.

---

In witness, the parties have executed this Agreement on the dates recited below:

**PEOPLE'S EXPRESS**

---

By: Douglas Anderson

Its: DIRECTOR

Date: \_\_\_\_\_

**NORTHFIELD TOWNSHIP**

---

By: Marilyn Engstrom

Its: SUPERVISOR

Date: \_\_\_\_\_

---

By: Howard Fink

Its: MANAGER

Date: \_\_\_\_\_