



CITY OF NOVI CITY COUNCIL JANUARY 6, 2025

SUBJECT: Consideration of a Transit Enhancement Agreement with People's Express (PEX) to continue subsidies for eligible residents effective January 1, 2025.

SUBMITTING DEPARTMENT: Parks, Recreation and Cultural Services – Older Adult Services

KEY HIGHLIGHTS:

- Since July 1, 2024, People's Express (PEX) has been providing curb-to-curb public transportation services in Novi.
- Ridership has increased approximately 95% year-over-year since PEX began services.
- The City reimbursed PEX \$11,100 for ride subsidies from July through September 2024.
- In response to City Council's direction at a recent City Council meeting, the former agreement has been split into two separate agreements to address ride subsidies and facility/fuel use individually.
- The proposed agreement focuses on continuing City-funded subsidies for in-boundary transportation for eligible residents aged 55 or older and residents with disabilities for one year from January 1, 2025, to December 31, 2025.

BACKGROUND INFORMATION:

Since July 1, 2024, People's Express (PEX) has been providing curb-to-curb public transportation services in Novi. Under the former agreement, which expired on December 31, 2024, the City provided subsidies for in-boundary transportation to eligible Novi residents aged 55 and older and residents with limiting disabilities who cannot drive. These subsidies allow eligible riders to access free in-boundary rides within PEX's Oakland County service area.

Ridership has increased approximately 95% year-over-year since PEX began operations. Average weekday rides have grown from 53 to 90, with weekend ridership also increasing significantly due to the addition of Saturday afternoon and Sunday service. Weekend days currently average 22 completed rides per day. From July through September 2024, the City reimbursed PEX \$11,100 for ride subsidies.

In line with City Council's directive during its December 16 meeting, the former agreement has been split into two separate agreements to address ride subsidies and facility use individually.

This proposed agreement focuses on continuing subsidies for eligible riders from January 1, 2025, to December 31, 2025.

RECOMMENDED ACTION: Approval of the proposed Transit Enhancement Services Agreement with People's Express (PEX) to continue providing subsidies for eligible Novi residents effective January 1, 2025.