

*Following are some of the questions frequently asked of the Road Commission for Oakland County about roads within townships, and RCOC's answers.*

## **1. Why don't townships receive funding for roads as do cities and villages?**

State law specifies that cities, villages, county road commissions, and the Michigan Department of Transportation (MDOT) have jurisdiction over roads.

These agencies are responsible for constructing and maintaining the roads that fall under their jurisdiction. They also carry the legal liability for the roads. Consequently, funding for roads is provided by the state legislature only to these agencies.

State law does, however, provide the option for a township to incorporate as a city or village, which would give it jurisdiction over roads within its boundaries. There is also a provision in state law which allows townships with populations of more than 40,000, to receive from their county road commission, 75 percent of the cost of maintaining the local county roads within their borders, provided they levy at least one mill for road improvement and maintenance.

## **2. How are road maintenance and improvement projects funded in Michigan townships?**

Most maintenance on roads in townships is funded with dollars allocated to county road commissions by the state legislature. Most major road improvements (bridge replacements, road widening, etc.) are funded with federal monies. In Oakland County, those monies are allocated by the Oakland County Federal Aid Task Force (see question 11 for details on the Federal Aid Task force).

State road funds are distributed according to a formula established by state law. The formula provides 39.1 percent of state road funds to MDOT, 39.1 percent to county road commissions, and 21.8 percent to cities and villages. While townships are not included in the formula, the portion going to county road commissions is intended to cover roads in townships. The reality, however, is that state road funding historically has been woefully inadequate, especially in high-population counties such as Oakland.

## **3. Wouldn't townships be better off if they received state funding directly?**

*• The same level of service would probably cost townships more.*

Economies of scale allow RCOC to provide more service for the same dollars than an individual township could. That's because RCOC is able to buy supplies, equipment, vehicles, salt, etc., in bulk, and so,

gets a better price than could an individual township.

*• Direct funding could cost townships other funding.*

RCOC participates in road improvement projects only on roads under its jurisdiction. If townships took over jurisdiction of local roads within their boundaries, it is unlikely that RCOC funds would be used on those roads, just as they are not used on city or village roads. That means that township roads might not be eligible for the popular Tri-Party program, which includes funds from Oakland County general government.

*• Having their own funding would not likely result in any additional major construction projects in townships, or make the projects happen any more quickly.*

Major construction projects in townships require substantial state or federal funding, which is allocated only through the Oakland County Federal Aid Task Force, based on objective criteria. The availability of township matching funds is not typically a consideration and would not result in more township projects.

*• When RCOC executes a project in a township, the township benefits from the Road Commission's expertise, which results in the best construction work for the conditions.*

If the township did the work itself, it would have to hire a consultant who may not be familiar with the township's roads needs and design criteria. RCOC staff, on the other hand, are Oakland County's local road professionals. We do more local road projects than any other road commission in the state, and we've worked closely with all Oakland County townships for decades.

*• The liability would come with the funding.*

Townships would receive the state road funding only if they also received jurisdiction for their roads. And the jurisdiction would bring with it the legal liability for the roads. It's no secret that, in this age of frequent litigation, liability can be costly, in terms of judgments and legal expenses. RCOC has the expertise to minimize potential costs.

## **4. Isn't the level of government closest to the people (townships) best able to meet the needs of the citizens?**

For many types of services that may be true. Roads are a little different, however, because the residents of any single community use the roads of other communities as well as their own.

RCOC projects and programs are intended to move cars and people across Oakland County, not just across one township. This benefits all county residents (including township residents), since most of us frequently travel across city and township lines, as we travel to work, school, shopping, etc.

At the same time, RCOC is local. We work closely with all municipal governments in the county to

ensure that road improvements reflect their desires.

Additionally, if each township took over its local roads, it would need to hire administrative staff to oversee road maintenance.

Because RCOC already has this staff, there would be a duplication of services that would cost townships money. RCOC is able to use this staff more efficiently because it covers a larger area, creating an economy of scale.

## **5. Does the money RCOC receives for roads in townships actually subsidize roads in cities and villages?**

No. The Michigan Transportation Fund allocates money for both local and primary roads. Local roads are found only in townships, while primary roads are found in townships, cities and villages. Because it receives more money for primary roads than for local roads, each year RCOC transfers money from primary roads to local roads to cover township road needs.

However, it is also true that the Road Commission is not spending enough money in any community. Even after the 1997 4-cent gas tax increase, Michigan still ranks in the bottom dozen states in per-capita road funding. There simply is not enough money to do an adequate job anywhere.

Shifting funds from county road commissions to townships would not resolve this problem.

## **6. Would it be more cost effective simply to pave all the gravel roads?**

Probably not. The cost of maintaining a paved road varies considerably, depending upon the age of the pavement. The paved road might be less expensive to maintain just after paving. However, over time, a paved road becomes more expensive to maintain than a gravel road.

So, the question becomes, is the cost of paving (\$700,000 to \$950,000 per mile, depending upon soil conditions) plus the cost of maintaining the paved road, less, over time, than the cost of maintaining the gravel road?

There's no easy answer to this question. It's impossible to accurately predict how much maintenance a paved road will require in 10, 15, or 20 years.

But it's not just about money. Paving a gravel road can be an emotional issue. Some township residents want to see their gravel road paved. Others oppose paving, arguing it reduces the sense of being in a "rural" community, and increases traffic volume and speed.

## **7. What is involved in maintaining a gravel road?**

There is much more to gravel road maintenance

than many people realize — and the roads require attention year-round.

In the spring, summer, and fall, they must be graded and, in some cases, sprayed with chloride to keep down dust and maintain a smooth surface. In the fall, RCOC crews work frantically to ensure the roads are smooth right up to the first frost. Once they are frozen, the roads can no longer be graded. In the winter, they must be plowed and, in some cases, sand applied to add traction.

But spring is the real challenge. If the temperature increases rapidly, the frost is forced up out of the ground, breaking up the road surface and, sometimes, creating sink holes. RCOC crews attempt to fill these holes with gravel, but even that sometimes doesn't work. In fact, there are times when there is no option but to close a road until the water runs off a bit.

And, of course, drainage is critical. We spend a lot of time cleaning out ditches and culverts.

A final element of gravel road maintenance is tree trimming and removal.

## **8. Homeowners & businesses in Oakland pay a lot of property taxes. How much of those property taxes go to maintain and improve our roads?**

Very little. Unlike county general government (a separate unit of government), RCOC receives no direct funding from property taxes. Some townships and cities contribute some property tax revenue to the improvement of county roads, but these contributions are provided on a voluntary basis.

## **9. Much development is taking place in Oakland, and has been for the last 20 years. Doesn't this development generate a lot of money for RCOC?**

No. RCOC receives no additional funding as a direct result of development. New development generates money in three ways: through increased property taxes (as new buildings are built), increased income taxes (through the creation of jobs) and increased sales taxes (as a result of increased commerce). RCOC receives no funding based on property, income, or sales taxes. However, RCOC is expected to provide the same level of service despite the increased traffic generated by the new development.

## **10. Then where does RCOC get its funds?**

RCOC gets nearly 60 percent of its budget from the state gas tax and vehicle registration fees. About 11 percent comes from federal sources (used only for construction, not for maintenance). Nearly 10 percent is from other state sources, 10 percent is from the state to maintain state highways, and the final 10 percent comes primarily from municipal contributions and fees.

## 11. How is federal road money dispersed within Oakland County?

Oakland County receives money through the federal Intermodal Surface Transportation Efficiency Act (ISTEA), which is money generated by the federal gas tax. This money must be funneled through MDOT and the Southeast Michigan Council of Governments.

SEMCOG allocates the money to the Oakland County Federal Aid Task Force, a 14-member committee, which determines which projects will be funded based on a set of objective criteria.

The task force consists of two RCOC representatives, three representatives of the townships, seven representatives of the cities and villages, one representative of MDOT, and one of the Suburban Mobility Authority for Regional Transportation (SMART).

In addition, state moneys designated for road improvements that support or create jobs (Transportation Economic Development Fund) also are dispersed by this committee, using a similar set of objective criteria to select projects.

## 12. Statistics indicate that people are driving further now than in the past. Does that mean there's more money for roads generated through the gas tax?

No. People are driving further, but cars are more fuel efficient. The Motor and Equipment Manufacturer's Association estimates gasoline consumption is up only 5 percent since 1978, while Americans are driving 56 percent more miles. So, the amount of gasoline used has remained fairly constant — there has not been an increase in gas tax revenues — but the increased miles traveled represent additional wear and tear on our roads.

## 13. Why do townships have to provide matching funds on RCOC construction projects?

Most major RCOC projects are underwritten with federal funds. Typically, state or federal guidelines require that those funds be matched by local funds. RCOC's standard procedure requires the local municipality to contribute a portion of the local matching funds. This reduces RCOC's contribution so we can better leverage our funds and do more projects.

Also, these road improvement projects tend to increase surrounding property values and create development opportunities, thus generating additional revenues for the communities, but not RCOC.

## 14. Why not make developers pave or widen roads when they put in new developments?

This sometimes happens. In some cases, developers pay all or part of the cost of paving or widen-

ing roads near their developments. However, these agreements are negotiated by the local communities and must be agreed to by the developers.

## 15. Is Oakland County a "donor" county that doesn't get back 100 percent of the funds it contributes to the state?

Yes. Most of the "urban" counties in Michigan are donors in terms of transportation dollars — we subsidize rural counties that don't have the population or tax base to generate enough money to maintain their roads. On a percentage basis, Oakland County is the largest donor county in the state: We get back 65 percent of the dollars we send to the state in vehicle registration fees, gas tax and other transportation fees.

But, Michigan is also a donor on the national level. Between 1956 and 1995, Michigan got back 91 percent of the transportation funds it sent to Washington D.C.

## Why doesn't RCOC widen and pave more roads in townships?

### 1. There is not enough money available.

- It costs an estimated \$3.3 million per mile to widen a two-lane road to five lanes, and between \$700,000 and \$950,000 to pave a mile of gravel road.

- RCOC doesn't undertake such projects unless state or federal funds are available to cover 80 percent of the construction cost.

- There isn't enough state and federal money available to complete all the paving and widening jobs needed. RCOC estimates \$1.5 billion in road work will be needed in Oakland County between 1997 and 2007, but only \$300 million will be available to do the work.

- Even with last year's 4-cent gas tax increase, Michigan still ranks in the bottom dozen states in per-capita road funding.

### 2. RCOC does not decide which projects are to be federally funded.

- The Oakland County Federal Aid Task Force selects the projects that receive the limited state and federal construction money, based on objective criteria.

### 3. Not all township residents agree that roads should be widened or paved.

*RCOC depends upon the townships to help set paving and widening priorities.*

## Facts about the Road Commission for Oakland County

- ✓ Is second only to MDOT in size of road system, with more than 2,500 miles of roads
- ✓ Has 850-plus miles of gravel roads
- ✓ Pays up to \$950,000 to pave a single mile of gravel road
- ✓ Competes with cities and villages for federal road construction funds
- ✓ Gets no direct funding from economic development to relieve traffic congestion
- ✓ Privatized many maintenance and construction functions to save money
- ✓ Has identified \$1.5 billion in road improvements needed by 2007 — but anticipates funding of only \$300 million

*Compliments of:*

## Have more questions? Give us a call.

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**ROAD COMMISSION**  
for OAKLAND COUNTY

# ROADS IN Oakland County Townships

## Important questions & Answers



FROM  
The ROAD COMMISSION  
for  
OAKLAND COUNTY  
Your Local Road Professionals