

Resolution to Waive City Council Rule #6A AGENDA – Regular Meeting Agenda in Order to Take Action on an Item Not Appearing on the Agenda

Proposed Resolution
Resolution #2016-05-
Moved by
Seconded by

RESOLVED, That Troy City Council hereby **WAIVES** City Council Rule #6A AGENDA – *Regular Meeting Agenda* in order to take action on item I-6 Resolution in Support of Senate Bill 557 as presented.

Yes:
No:

I-6 Resolution in Support of Senate Bill 557

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WHEREAS, Senator Marty Knollenberg sponsored Senate Bill 557 amending Public Act 51 to correct unfair funding imposed on municipalities with state highways within their incorporated limits, such as Troy; and

WHEREAS, City Manager Kischnick provided testimony on Thursday, May 12, 2016 at the Michigan State Transportation Hearing and specifically cited the proposed I-75 project scheduled to begin in 2016, a copy of which is attached to this resolution; and

WHEREAS, City Manager Kischnick's testimony reveals that based on the cost of the proposed I-75 project, an estimated total cost to the city will be \$9.6 million. Over the 8 year timeline of 2016 to 2024, Troy would be required to contribute \$1.2 million annually; and

WHEREAS, Senate Bill 557 would correct the unfair funding by removing the burden of the I-75 reconstruction cost from local municipalities that have portions of the trunk line within their borders; and

WHEREAS, There will be another Michigan State Transportation Hearing to discuss Senate Bill 557 on Thursday, May 26, 2016;

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **SUPPORTS** Senate Bill 557, as sponsored by Senator Marty Knollenberg.

Yes:
No:

**Michigan State Transportation Hearing
125 W. Allegan
Room 210 Farnum Building
Thursday, May 12, 2016 8:30 a.m.**

City of Troy testimony given by: Brian M. Kischnick, City Manager

Mr. Chairperson and Committee members, it is an honor to be here and tell our story as it relates to road funding.

Senate Bill 557 amends Public Act 51 to correct unfair funding imposed on municipalities. The City of Troy is one of the 45 cities with populations of 25,000 or greater and with state highways within its incorporated limits, which are adversely impacted by the proposed I-75 project and requirement to pay 12.5% of the cost for opening, widening, and improving a state highway. This impact is very significant in the overall road funding allocated to Troy through the regular formula of Act 51.

The proposed I-75 project within the City of Troy travels from South Boulevard to 14 Mile at an estimated total cost to the city at \$9.6 million. The schedule for the project spans from 2016 to 2024. Over the 8 year timeline, there is \$1.2 million estimated in annual contributions required from Troy.

The following information is case example specific to the City of Troy:

- Including the anticipated gas tax increase, annual appropriations from Act 51 are estimated to be \$3.9 million per year for major streets
- Average maintenance cost for major streets is \$2.8 million per year
- This leaves \$1.1 million per year for major road work for over 57 miles of PA 51 eligible streets
- Again, contributions to I-75 are estimated at a cost of over \$1 million per year
- This results in NO PUBLIC ACT 51 FUNDS (while assuming a mild winter) for major road construction through 2024.

MDOT's own website states that I-75 "is a critical commercial route, a key commuter route, a vital tourist route, and a local area business route moving people and goods across the state daily." Yet

municipalities along I-75 are disproportionately held responsible for the burden of the project costs. The state is projected to give Troy approximately \$300,000 a year for state highways repairs. At this rate, it would take 32 years for the state's reimbursements to fully cover the cost.

The City of Troy commends Senator Knollenberg for introducing this bill and highlighting funding integrity for regional transportation projects. The City of Troy fully supports Senate Bill 557.

Thank you for allowing Troy to participate today.