

June 23, 2005

RECEIVED

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JUL 13 2005

TO: John Szerlag, City Manager
FROM: Brian Murphy, Assistant City Manager/Services
Steven Vandette, City Engineer
SUBJECT: Depletion of RCOC Road Maintenance Funds

CITY OF TROY
CITY MANAGER'S OFFICE
BPM.

We recently received the attached letter from the Road Commission for Oakland County (RCOC) that indicates that routine maintenance work will cease on all state roads in Oakland County due to depletion of funding from MDOT. While this may have major impacts in some communities with lots of state roads, the impact on Troy with I-75 being the only state road should be minimal. Freeway slope mowing will continue, as will emergency pothole patching, emergency traffic signal repairs and other emergency related activities.

MDOT is presently working to address this issue and attempting to find additional funds.

R/C

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Vandette
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QUALITY LIFE THROUGH GOOD ROADS.
ROAD COMMISSION FOR OAKLAND COUNTY
"WE CARE"

John Szerlag, Manager
City of Troy
500 West Big Beaver Rd.
Troy, MI 48084

Dear Mr. Szerlag:

I am writing to inform you that on June 22, the Road Commission for Oakland County (RCOC) ceased performing all routine maintenance work on all state roads in Oakland County. We were forced to take this drastic action because the state funds available to us through our maintenance contract with the Michigan Department of Transportation (MDOT) have been expended. This is due in part to the worse-than-usual winter, as well as the fact that the amount of money budgeted by MDOT for RCOC to provide maintenance under our contract has remained at the same amount for the last five years, while the cost of maintaining the roads has increased. In addition, in recent years the MDOT system has grown (the addition of M-5 and the DaimlerChrysler headquarters interchange on I-75), but the amount of money provided by MDOT through the maintenance contract has not.

This is the second time this year that we have reached this point. We first ran out of state road maintenance funding and ceased maintenance operations on May 10. MDOT eventually provided some additional funding at that point. The additional funding has now been depleted. We met with MDOT Director Gloria Jeff on June 23 to discuss this issue. At that time, she committed to attempt to find additional funds, but indicated that MDOT is currently experiencing financial difficulties. We understand the state's dilemma. The state-collected road funds that provide the majority of road maintenance dollars for MDOT, county road commissions, and cities and villages alike have not kept up with inflation for years. In fact, RCOC will receive the same amount of state road funds in 2005 that we received in 2000.

This work cessation means that RCOC will perform only emergency pothole patching, emergency traffic signal repairs, and other emergency-related activities on the state roads, using MDOT work orders. To date, this funding for emergency work is the only additional funding MDOT has been able to make available. Freeway slope mowing and street sweeping will continue, since contracts are in place with private companies to do that work. Work that WILL NOT be performed by RCOC workers includes boulevard mowing, routine drainage work, routine pothole patching, litter pickup, shoulder maintenance, routine traffic signal maintenance, etc. We have no choice but to cease this work, as state statutes do not permit us to expend our county road funds on state highways without guaranteed reimbursement.

Board of Road Commissioners

Ricky D. Lozano
Chairman

Larry P. Crake
Vice-Chairman

Richard G. Skarnt
Commissioner

Brent O. Blair
Managing Director

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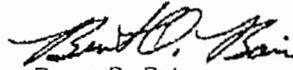
TDD
248-645-9923

www.rcocweb.org

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COMMISSION
of OAKLAND COUNTY**QUALITY LIFE THROUGH GOOD ROADS.
ROAD COMMISSION FOR OAKLAND COUNTY
"WE CARE"

We recognize that this situation is frustrating for you and your constituents. It is frustrating for us as well. Unfortunately, it is another symptom of Michigan's inability or unwillingness to adequately fund its roads. We will let you know if MDOT provides any additional funding that would allow us to restore any or all of these activities.

Sincerely,

Brent O. Bair
Managing Director

c: Rudy D. Lozano
Larry P. Crake
Richard G. Skarritt
Gerald M. Holmberg
Thomas Meszler
County Commissioner Charles Palmer

/lb