



# LAPEER COUNTY ROAD COMMISSION

## About the Lapeer County Road Commission

*Here are some interesting facts about LCRC:*

- The LCRC currently has 50 employees (this is 25 less than LCRC had in 1980)
- Our partners to the south in Oakland County have 420 employees.
- The LCRC 2022 FY budget is approximately \$17 Million (\$13,072 per mile)
- Our neighbors to the south have a 2022 FY budget of \$180 Million. (\$66,000 per mile)
- LCRC has jurisdiction of over 1300 centerline miles of road.
- We actually have 2923.54 lane miles of road (a road needs to be plowed or graded in each direction)
- We maintain 800 miles of gravel roads.
- LCRC also maintains all MDOT roads I-69, M-24, M-53, and M-90 (contract with MDOT)
- We are responsible for the maintenance of all signs (18,400 signs in total)
- Like MDOT, LCRC has no taxing authority.
- The cost of one Road Grader is \$300,000 (LCRC operates 9)
- The cost of one Salt Truck is \$290,000 (LCRC has 20 with an average age of 13 years)
- Cost to salt the paved road system one-time \$30,000.
- 730 gallons of diesel to plow the road system one time.
- 20 Salt trucks (Oakland County has 180 approx.)
- 9 road graders.
- Cost to completely rebuild 1 mile of road: \$700,000 approx.
- Cost to overlay 1 mile of existing pavement 2" \$275,000 approx.

# **Who is Responsible for Michigan Roads?**

## **The Three Levels of Road Jurisdiction in Michigan:**

To understand the road issues in Michigan, it is important to first understand who is responsible for the roads. In Michigan, nearly all roads fall into one of three categories of jurisdiction:

- 1. State highways: MDOT -- 9,700 miles (8% of all roads in Michigan)**
- 2. County roads: County Road Commissions/departments -- 89,300 miles (74% of all roads in Michigan)**
- 3. City or village streets: Cities and villages -- 21,108 miles (18% percent of all roads in Michigan)**

The State of Michigan has:

- The 8th largest public road system in the nation,**
- The 6th largest local system (county, city, and village roads)**
- The 3rd largest county road system**
- The 28th largest state highway system (below average; half the size of Ohio's state highway system).**

Despite state law assigning maintenance and construction responsibility to road commissions, the state transportation fund doesn't provide sufficient financial resources for road commissions to perform their responsibilities at a level acceptable to everyone. Consequently, township boards voluntarily contribute over \$150 million per year to their county road commissions to support road projects in their respective townships. As of 2017, all 83 Road Agencies participated in cost-sharing programs with their respective Townships.

## **Roads in Lapeer County**

In Lapeer County, as noted previously, the LCRC is responsible for the 1,310-plus miles of county roads. Additionally, Lapeer County Cities and Villages are responsible for the streets/roads within their limits. Finally, the Michigan Department of Transportation has jurisdiction over approximately 150 miles of state highways in Lapeer County.

### **State Highways**

State highways fall under the jurisdiction of the Michigan Department of Transportation (MDOT). Included under this heading are all highways with an “M,” “US “or “I” in their names. Examples include M-24, M-90, M-53, and I-69. LCRC is contracted by MDOT to perform maintenance such as plowing and salting, mowing, and patching. Capital Improvement such as paving is MDOT’s responsibility.

### **County Roads**

County road commissions have jurisdiction over all public roads, except state highways, in all townships in the state. Additionally, some county road commissions (including LCRC) have jurisdiction over some of the primary roads in the cities and villages in their counties.

### **City & Village Streets**

Over the years, the cities and villages in Michigan have taken jurisdiction over some, or in some cases, all of the roads within their boundaries. When a township, or part of a township, incorporates and becomes a city or village, the road commission

has one year in which to opt to turn over jurisdiction of county roads to the new city or village.

After that first year, the jurisdiction of any road may be transferred either way, if agreed upon by both parties.

The cities and villages have jurisdiction over all residential or subdivision/neighborhood streets within their boundaries.

Whether a city or village or the road commission has jurisdiction over major streets within the community depends upon a variety of factors and differs from community to community.

## **The situation for Lapeer County and Road Commissions in general.**

### **Road Commissions in General**

- **74 Michigan road commissions (of 83) eliminated staff positions during the last decade.**
- **10 actually shut down for 1-2 weeks to avoid layoffs at times during the last decade.**
- **Several northern counties were forced to take the extreme move of restricting weekend plowing during the height of the crisis.**
- **38 road commissions have actually returned paved roads to gravel because they could not afford to continue to patch the roads or to resurface them. To date, more than 100 miles of formerly paved roads have been returned to gravel.**
- **79 road commissions have reduced maintenance, preservation, or construction programs.**

## State Road Funds

So, where does the money come from to maintain Michigan's roads? The two largest sources are the state-collected gas tax and the vehicle registration fee (license plate fee). Traditionally, the gas tax was the largest single source of road funding in Michigan. However, vehicle registration fee revenues surpassed the gas tax in recent years, as gas consumption declined statewide and vehicle fuel economy continued to improve.

Historically, Michigan's gas-tax rate has been below the national average, making it a major contributor to the state's poor showing in per capita road-funding comparisons. This finally changed on Jan. 1, 2017, when the gas tax rose from 19 cents per gallon to 26.3 cents per gallon as a result of the state's 2015 road-funding package.

### How are state-collected road funds distributed?

The state Legislature addressed the question of the distribution of state-collected transportation funds through the creation of a road-funding formula that is spelled out in Michigan Public Act 51 of 1951. The formula divides the funds among the state, county road agencies, and cities & villages. In the act, the Legislature established a single "pot" for state-collected road funds known as the Michigan Transportation Fund (MTF) and then created the MTF distribution formula. According to the formula, money is first taken off the top of the MTF for several items including the Bridge Fund and transit. The formula then calls for 39.1 percent of the remaining money to go to MDOT (with jurisdiction over 8 percent of Michigan's roads), 39.1 percent to go to county road commissions (with jurisdiction over 75 percent of Michigan's roads), and 21.8 percent to go to cities and villages (with jurisdiction over 17 percent of Michigan's roads).

## What is wrong with the Funding?

As shown previously, Michigan's state-collected gas tax rate was lower than that of the majority of other states in the nation for many years. Michigan's diesel tax rate was even worse. The ranking of both improved with Michigan's 2017 fuel-tax increases. But it will take Michigan many years to make up for the decades during which it underfunded its roads compared to much of the rest of the nation. Consider that between 2001 and 2011, LCRC's MTF revenues declined by a cumulative 5.3 percent. During this same period, inflation continued to rise, making most products and services more expensive. But that's not the whole story. Many of the costs associated with critical road maintenance activities have increased far faster than the consumer rate of inflation. Here are some examples from LCRC from this period:

### LCRC Expenses, FY 2005 to FY 2015

| Item          | % Cost Increase |
|---------------|-----------------|
| Plow Blades   | 34%             |
| Asphalt       | 66%             |
| Salt          | 91%             |
| Cold Patch    | 50%             |
| 12-Yard Truck | 44%             |

The Mackinaw Center for Public Policy has a great resource for understanding Michigan road funding. It can be found at <https://www.mackinac.org/S2018-10>