

What if the overall cost of the project exceeds the estimated amount? Will projects be cut? The Road Department would be responsible for the overage. No projects would be cut. The reverse could happen. If the cost is under the estimated amount, the full millage would not have to be levied.

What happens if taxable values decrease during the 15 year payback period? To protect against that happening, we were very conservative in estimating the yearly taxable growth in the Township with the Bonding Agency. We used a 1% taxable value increase per year while it is typically 2.5%. We also estimate the interest rate on the bond payments themselves on the high side to protect falling short. Between our conservative growth and interest estimates, the high numbers the County used to estimate the proposed work, and interest earned, the Board feels confident that we will be able to make each payment.

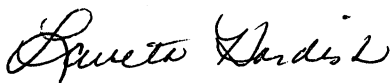
Why has the Township stopped contributing to Chip and Seal projects on local roads? Prior to 2008, the Leroy Township Board always tried to contribute \$25,000 from the general fund for chip and seal projects on local roads. This was at a time when the county paid 90% of the project and the township matched 10%. In 2008 a very aggressive Drain Commissioner was elected in the Calhoun County. He started work on drainage projects throughout our area – Leroy Township has paid out over \$800,000 in drain assessments since 2008 and will continue paying large assessments for these projects for next 15 years. So, the money once allocated from the General Fund for local road maintenance is now paying for drain assessments. The roads are in such deteriorated condition that a chip and seal, which is used to preserve roadways, would be a total waste of money. And, the County has changed the formula from 90/10 match to 30/70 with the Township paying 70% of the cost of a chip and seal.

How much money does the Township receive each year for roads? \$0. The State Transportation Fund distributes monies to the State Department of Transportation, County Road Commissions, Cities, and Villages but Township Governments do not receive state road funding money. Unless a Township has passed a road millage, the property taxes you pay are not for roadwork. Don't let elected State officials fool you in to believing that township local roads will be repaired by additional tax gas increases. The money never flows to us. Our portion of local road projects must come from our own pocketbooks because of State Statute PA 51 of 1951.

Thank you for your calls, e-mails and face-to-face discussions regarding your road funding questions over the past few weeks. The office is open Tuesday, Wednesday and Thursday from 9-4:30 if there are other concerns you may have or send me an e-mail at: supervisor@leroytownship.org.

Polls will be open from 7 a.m. to 8 p.m. on Tuesday, May 7 in the Community Room, 8146 4 Mile Road. Both precincts will enter at the south entrance doors. Election results can be found after the polls close Tuesday evening at: <http://elections.calhouncountymi.gov/>

Sincerely,



Laveta Hardish, Supervisor

Trustees Jon Bolton and Doug Chapman, Treasurer Mark Christoff, Clerk Brenda Schuetz

Leroy Township

8156 4 Mile Road, East Leroy, MI 49051 Phone: 269-979-9421 website: leroytownship.org

April 25, 2019

Dear Resident:

Prior to the May 7 Local Road Bond Proposal vote, I would like to answer some of the concerns that have been asked of me over the past few weeks:

How we will know if the road projects are being done correctly? Board Members are not engineers so we plan to hire a very part-time engineer with lots of road construction experience to oversee road projects throughout the township on our behalf. The interest money generated from the bond money will be used to pay for his/her time.

Will there be some type of warranty? And what about maintenance? Ongoing maintenance has to be considered. Most of our roads will be a total crush and shape – brand-new roads with the proper base and crown restored for drainage. They should last a very long time. This is not the same as putting 1.5” of asphalt over a deteriorating road and expecting it to last more than a few years – the problems below will re-surface again. If the bond passes, the Township will negotiate a road work warranty agreement on the roads. The County has already set the precedence for this agreement with both Bedford and Pennfield Townships. Interest generated on the bond money can be the start of a fund created for ongoing maintenance but crack sealing, tree canopy trimming and culvert repair are the responsibility of the Road Department. At the end of the term of the bond, realistically the Board feels that a 1 mill proposal should be voted in to continue to protect our investment with maintenance.

In a 2018 Newsletter I stated that the Board did not have confidence in the Road Department. What has changed? Both the successful completion of comprehensive local road paving projects in Pennfield and Bedford Townships along with the hiring of a new Road Department Managing Director in November 2018 have given us the example of what can be done and the right ‘go to’ person to deal with issues as needed.

Primary roads throughout the County need repair work. The County website shows only 33% of Primary Roads at a Paser Rating of 6 or above. When will they get to our Primary Roads and can they maintain local roads if we re-construct them? I don't want to make excuses for the Road Department but prior to the 2016 increase in gas taxes and registration fees, it had been decades since they had received increases in funding from the State Transportation Fund. The 2016 increases are being phased in to them over a 5-year period. The first increase in 2016 was \$659,000 — barely enough for 1 mile of roadwork! In 2021 they will be at their full funding of approximately \$14.2 million which is a 68% increase over 2015 funding. As they receive additional funding, they will fix primary roads amongst their 19 townships. They are also obligating future income to pay bond proposals from townships for local road projects.

Will the Road Department have the money to cover their share of our bond payments? Prior to pursuing a bond proposal, County Administration had to assure the Leroy Township Board that the Road Department could pay their 50% of the Leroy Proposal while also anticipating that Emmett Township has a local road proposal on their ballot too.