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Road project costs grim

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BROOKSVILLE -- "You are now in the elite status of having a billion dollar road program," transportation consultant Bob Wallace told local government officials yesterday.

The problem is the county can't afford the membership dues to such a club.

Wallace told Metropolitan Planning Organization (MPO) members Thursday that at current county and Florida revenue rates for road programs from 2011 to 2025, the county would be $574 million short of the lofty billion dollar program it set out for itself.

At the center of the problem is the county and Florida Department of Transportation's grossly underestimated road construction costs, upon which the county based its transportation plans two years ago.

Yesterday, Wallace painted a bleak picture for county commissioners, who make up the MPO, and for Brooksville Mayor Joe Johnston who is also a member.

County officials estimated two years ago that rights of way and construction for new roads or road expansion projects would cost between $700,000 and $1.4 million per mile.

The newest estimates are $3.1 million per mile, using actual road project costs from the past few months.

Florida transportation officials fared better in estimating costs for beefing up state roads throughout Hernando County.

Florida Department of Transportation officials calculated the cost for rights of way and building or widening a state road at about $4.2 million per mile. But recent state road projects have cost about $22.1 million per mile, Wallace said.

That will leave the county far short of the money needed to complete its road projects planned after 2011.

Using 2003 and 2004 cost estimates, MPO members planned that road projects would cost no more than about $373.3 million between 2011 and 2025.

The estimated cost is now nearly $1.1 billion.

At the county's current road impact fee rate of $3,627 and the state's estimated contribution over those 14 years of $366.8 million for road projects, Wallace estimates the most the county could collect is nearly $500 million.

Hernando County is not alone, Wallace said.

"Counties are just now starting to evaluate their costs," he told MPO members.

And there is also the chance that state transportation will not provide as much money as promised.

But FDOT official, Bob Clifford, an advisor to the county's MPO, said the state will come through with its pledge of $366.8 million, but construction prices and land prices would likely continue to increase, at least in the short term.

He also told MPO members the county's 5-year road plan would not be affected by the cost changes and assured those projects were secure.

"We will find ways to deliver (those projects)," Clifford said.

The county's options are few when it comes to finding the needed money and could be politically difficult.

The set of options include imposing a 3-cent per gallon gasoline tax for new roads. That does not include the county's current 3-cent per gallon gasoline tax for its residential road program.

Also included in that set of options is a half-cent sales tax, Wallace said.

Wallace also suggested that road impact fees be hiked from the current $3,627 level to about $11,000 by 2025.

Impact fees are collected from property owners when they build a new home. The money is spent only in areas it is collected.

The second set of options is a 3-cent per gallon gasoline tax and a one-cent sales tax in which 80 percent of the sales tax was dedicated toward roads, he said.

The first option, including the state's $366 million contribution, would generate about $821.4 million between 2011 and 2025. The second option would generate an estimated $911.3 million.

Wallace said that county officials should also continue to require developers to provide land for roads, saving the county millions of dollars over the next seven years.

"There will probably have to be projects pulled out of the (road project plan) in Hernando County," Wallace predicted.

Commissioner Chris Kingsley said the county should step in to help and stop expanding tax holidays that financially hurt local municipalities.

Commissioner Nancy Robinson agreed, saying that state officials should look at remedying infrastructure problems rather than creating more tax holidays in which state sales taxes are temporarily abolished for such items as school clothing and hurricane related items.

But Commissioner Robert Schenck disagreed, saying taxpayers deserved to get some of their tax money back.

"People work hard for their money," and suggesting they not see tax breaks was "a slap in the face of taxpayers," Schenck said.

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