



Hernando County

Road Resurfacing Funding Options

Hernando County
Funding Scenarios & Impacts

April 14, 2026

Current Conditions



- Paved Roads: 1,578 miles
- Lime Rock Roads: 200 miles

Average Resurfacing Cost: \$595,000 per mile

- Current Funding (Gas Tax): \$5,960,220 per year
- Average Miles Resurfaced per Year: 10
- Current Resurfacing Cycle: 158 years



Resurfacing Costs & Ideal Lifecycle

- Mill & Resurface: \$800,000 per mile
 - Hot-In-Place Recycling: \$395,000 per mile
 - Average Program Cost: \$595,000 per mile
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- Ideal Resurfacing Cycle: 40 years
 - Miles Needed per Year: 39
 - Required Funding: \$23,472,750 per year



Revenue Options

Revenue Source

Annual Revenue

**0.2 Mill Shift
(GF → Transportation Trust)**

\$4,000,000

0.5 % Sales Tax

\$17,451,801

Neighboring Counties Solutions

- Pasco County – MSTU for Road Resurfacing
- Citrus County – Use Ad-Valorem (Millage Shift)

Funding Options Comparison



Existing Funding (Gas Tax Only):

- \$5.96M per year
- 10 miles/year
- 158-year cycle

0.2 Millage Shift (Ad-Valorem → Transportation Trust):

- \$9.96M per year
- 17 miles/year
- 94-year cycle

0.5 Percent Sales Tax:

- \$17.45M per year (Without Gas Tax)
 - 29 miles/year
 - 54-year cycle

Future Roadway Expansion Funding



- Barclay Road (Phase 1 and 2) \$43,109,860
- Kettering Road \$33,700,000
- Countyline Road \$10,000,000 and (1 Million debt service)
- Ayres and Culbreath Traffic Circle \$3,150,000
- Total \$89,959,860

Future Projects.

- Sunshine Grove Road (Ken Austin to Hexam) \$17,340,000
- Cortez Oaks (Sr 50 to Star Road) TBD
- Powell Road Widening TBD.

Available Gas Tax Bonding Capacity



Debt assumption

Borrow \$30,000,000- \$1,000,000 debt payment

Revenues

Gas Tax ~\$ 12.7 Million a year

Roadway Impact Fees Collected

FY 24: 11,246,311

FY 25: 12,512,941

Current Resurfacing Program expenses ~ \$5.9 Million

Impact Fees can be used to pay for the Debt Service. Cannot be pledged for the Debt payments.

Estimated annual debt payments (Depending on final cost, interest rate, and debt structuring)

Barclay: 1.43 Million

Kettering: 1.12 Million

County Line Road: 1 Million

Total: 3.55 Million.



Key Takeaways

- **Current funding is insufficient to maintain pavement conditions**

- **0.2 millage shift improves Pavement Condition, continued over multiple years will increase effectiveness of resurfacing and program**

- **Standalone 0.5 percent sales tax achieves a sustainable resurfacing cycle.**

Sales Tax and millage increase would free up Gas tax for use for Limerock Road MSBU program participation, and funding for Road widening and Intersection projects.

- **Early investment reduces long-term reconstruction costs**