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COST OF DELAYING HIGHWAY ESCALATES FOR TAXPAYERS

FAIRFIELD-Waiting for the resolution of the Transportation Improvement District's bond validation suit is costing taxpayers millions of dollars. The TID filed their bond validation suit on October 16, 1996. On November 7, 1996, opponents to the Butler Regional Highway and the TID entered the suit against the TID. In early December, the interest on the Butler Regional Highway was estimated to be nearly \$81 million. By the time Judge Michael Sage's decision in the TID's favor was filed on January 29, 1997, the cost of interest alone jumped over \$6 million to over \$87 million. Due to the appeal of the ruling, the total interest cost was nearly \$93 million on April 4, and this cost continues to rise. The total additional cost to taxpayers because of this delay is estimated to be \$11,912,282. In net present value, this equals \$7,050,413.

The TID purposefully filed the bond validation suit in October, 1996, in order to be able to issue its bonds under the low interest rates of late 1996. Over the course of this suit and its appeal, interest rates have climbed. For every day that passes, taxpayers are ultimately paying for the delay. It is important to note the Butler Regional Highway will be built. The increasing cost to taxpayers is the same regardless of whether the TID or ODOT issues the bonds. These figures, prepared by the investment banking firm of Seasongood & Mayer and reported by the Butler County TID, reflect an increase in the cost of TID projects due to rising interest rates. This does not consider additional costs of construction, labor, and materials which also continue to rise exponentially during the delay.