

From: [Josh Street](#)
To: [Jonathan Hayes](#)
Subject: Paving Plan
Date: Saturday, October 3, 2026 11:26:59 AM

Jonathan,

Please add this to the 2nd meeting in October. I'm asking the commission to direct staff to identify the annual funding level Panama City would need to maintain a roadway resurfacing program that renews the system approximately once every 20 years, similar to the long-term pavement management approach used by FDOT.

The starting point is the size of our roadway system. Panama City's FY2024 ACFR reports **227 miles of paved streets**, which represents a minimum of approximately **454 paved lane miles** assuming two lanes per street. The actual number is higher because some City-maintained roads have more than two lanes.

For comparison:

- **Bay County:** 494+ paved centerline miles, or at least 988 lane miles.
- **Panama City:** 227 paved centerline miles, or at least 454 lane miles.
- **Panama City Beach:** 77.11 centerline miles and 163.23 actual lane miles.
- **Callaway:** 84.2 street miles, or at least 168.4 lane miles.
- **Lynn Haven:** its FY2025–26 budget includes a dedicated Streets function and a multi-year paving program funded through legislative appropriations and the ½-cent infrastructure surtax. The City's current capital plan includes ranked paving projects extending through 2035. A comparable current lane-mile total was not published in the budget documents I reviewed, so I would rather obtain that directly than rely on an older mileage figure.

Lynn Haven's FY2025–26 approved budget shows approximately **\$2.39 million in total street expenditures**, compared with approximately **\$3.13 million in FY2024 actual street expenditures**. Its capital plan also identifies recurring ranked paving projects funded by legislative appropriations and ½-cent sales tax revenue.

Source: City of Lynn Haven FY2025–26 Approved Budget and Capital Plan.

On the Panama City revenue side, our FY2026 adopted budget projects **\$4,990,492 in infrastructure surtax revenue**.

Recent figures are:

- FY2023 actual: **\$4,747,585**
- FY2024 actual: **\$4,851,807**
- FY2025 adopted: **\$4,735,524**
- FY2026 adopted: **\$4,990,492**

The FY2026 surtax budget is allocated approximately as follows:

- Transportation capital improvements: **\$1,828,253**
- Infrastructure Surtax Note transfer: **\$2,157,239**
- Utility Fund transfer: **\$600,000**
- Marina Fund transfer: **\$400,000**
- Accounting/auditing: **\$5,000**

So only 37% of current-year surtax revenue is budgeted directly as transportation capital improvement spending.

Using the minimum 454 paved lane miles, a 20-year pavement renewal cycle would require treatment of approximately:

454 lane miles ÷ 20 years = 22.7 lane miles per year.

Using several planning-level resurfacing assumptions:

- \$300,000 per lane mile = approximately **\$6.81 million annually**
- \$400,000 per lane mile = approximately **\$9.08 million annually**
- \$534,000 per lane mile = approximately **\$12.12 million annually**

The \$534,000 figure is based on FDOT's FY2026 statewide program of approximately \$1.4 billion for 2,622 resurfacing lane miles. It is a statewide planning reference, not a Panama City project estimate.

Compared with our approximately \$4.99 million in annual surtax revenue, gross surtax proceeds would cover roughly:

- **73%** of the estimated need at \$300,000 per lane mile
- **55%** at \$400,000 per lane mile
- **41%** at \$534,000 per lane mile

And that assumes every surtax dollar could be devoted to pavement, which our FY2026 budget shows is not the case.

What I would like staff to determine is:

1. Our actual paved lane-mile inventory, not including unpaved alleys.
2. The appropriate average resurfacing cost per lane mile based on recent Panama City bids.
3. The annual funding requirement necessary to maintain an approximately **20-year resurfacing cycle**.

4. The current annual funding available for resurfacing from surtax, gas tax, general fund, grants and other sources.
5. The annual funding gap, if one exists.
6. The same basic data for Bay County, Panama City Beach, Lynn Haven, Callaway and the other municipalities so we can compare our program with neighboring jurisdictions.

My concern is less about identifying a single resurfacing project and more about establishing a **sustainable annual pavement-management funding target**. Next to rebuilding reserves this is my #1 priority for financial stability of our city. Roads are not assets. They are liabilities should have a formula based approach to insure they are maintained for generations to come. If we know the amount required each year to keep the entire system on an approximately 20-year cycle, we can make much better long-range budget decisions instead of addressing paving episodically.

Sources:

Panama City FY2024 ACFR:

<https://www.panamacity.gov/Archive/ViewFile/Item/1550>

Panama City FY2026 Adopted Budget:

<https://www.panamacity.gov/Archive/ViewFile/Item/1562>

FDOT Road Mileage Reports:

<https://www.fdot.gov/statistics/mileage-rpts>

Panama City Beach Public Works:

<https://www.pcbfl.gov/205/Public-Works-Department>

Bay County Public Works:

<https://www.baycountyfl.gov/180/Pothole-Maintenance>

Callaway FY2025 ACFR:

https://www.cityofcallaway.com/AgendaCenter/ViewFile/Agenda/_06092026-408

Lynn Haven FY2025–26 Approved Budget:

<https://www.cityoflynnhaven.com/DocumentCenter/View/4411>

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