

SUNDAY ■ MARCH 29, 1998

Road deal took strange route

■ The county's purchase of Oakley Boulevard raised the cost of a sewer project and upset state officials.

By JO BECKER
Times Staff Writer

County Administrator John Gallagher is known as a guy who's tight with the taxpayers' buck.

But in December 1996, Gallagher got the county to pay two well-connected developers nearly half a million dollars for a private road the county did not need to buy.

This quiet, one-of-a kind purchase raised the cost of a needed sewer line at least \$82,000 — and as much as \$318,000. The deal could also hurt commuters on State Road 54 by making one of the most snarled areas of central Pasco's road network even more of a nightmare.

The purchase was a better deal for the road's developers and others who own property near the road: Land values will likely jump because of increased traffic.

The transaction is noteworthy in several respects:

It involves Oakley Boulevard, a poorly maintained 1.3-mile road off SR 54 that the state once fought to keep from opening because of its proximity to Interstate 75.

It involves a decade-old handshake deal Gallagher reportedly made with the road's owners — a deal that he does not remember making and for which there is no documentation.

It involves H. Clyde Hobby, a prominent political fund-raiser who earns \$100,000 a year to lobby on the county's

route

behalf, but whose representation of private clients has in the past raised conflict-of-interest questions. In this case, Hobby has represented both the county and the road's owners before the state Department of Transportation.

And it involves the County Commission's "consent agenda," the part of the weekly commission meeting reserved for non-controversial items that can be okayed with a single vote and no debate.

Typically, property owners pay the county to take over private roads, which can cost \$2,400 per mile annually to maintain. Never before, Gallagher acknowledged, has the county paid for that privilege.

Still, Gallagher said, the purchase of Oakley Boulevard "cleared up a number of problems." He offers four examples.

But according to a *Times* investigation, not one stands up to scrutiny, and not one was

fully explained in the memo to county commissioners which recommended the deal:

■ Gallagher said the county needed the land to install a sewer line to its new Wesley Center treatment plant. In fact, he picked the more expensive of two routes county staff considered, adding \$82,000 to the project's cost. Gallagher ignored a third option that could have been more than \$318,000 less expensive.

■ Gallagher said he ignored that third option, condemning the land, because he faced a deadline from environmental regulators to finish the sewer line. But county records show the road deal took 10 months to negotiate, about the same time a condemnation typically takes. Moreover, the county already owned the land along the route the staff rejected. There, construction could have begun immediately.

■ Gallagher said the deal, by opening the dead-end road at its north end, would give firefighters a faster route to two motels at the southern end of Oakley Boulevard. Fire officials said he's wrong. Using the newly opened road would "be the long way for us," District Fire Chief Debbie Fahlman said.

■ Gallagher said opening Oakley Boulevard is part of a plan to help ease traffic on SR 54. But even as the county negotiated with Oakley, the Department of Transportation warned: "Given the amount (of) proposed development accessing Oakley Boulevard, the intersection at State Road 54 will likely become a problem in the near future," an official wrote.

"We would have preferred

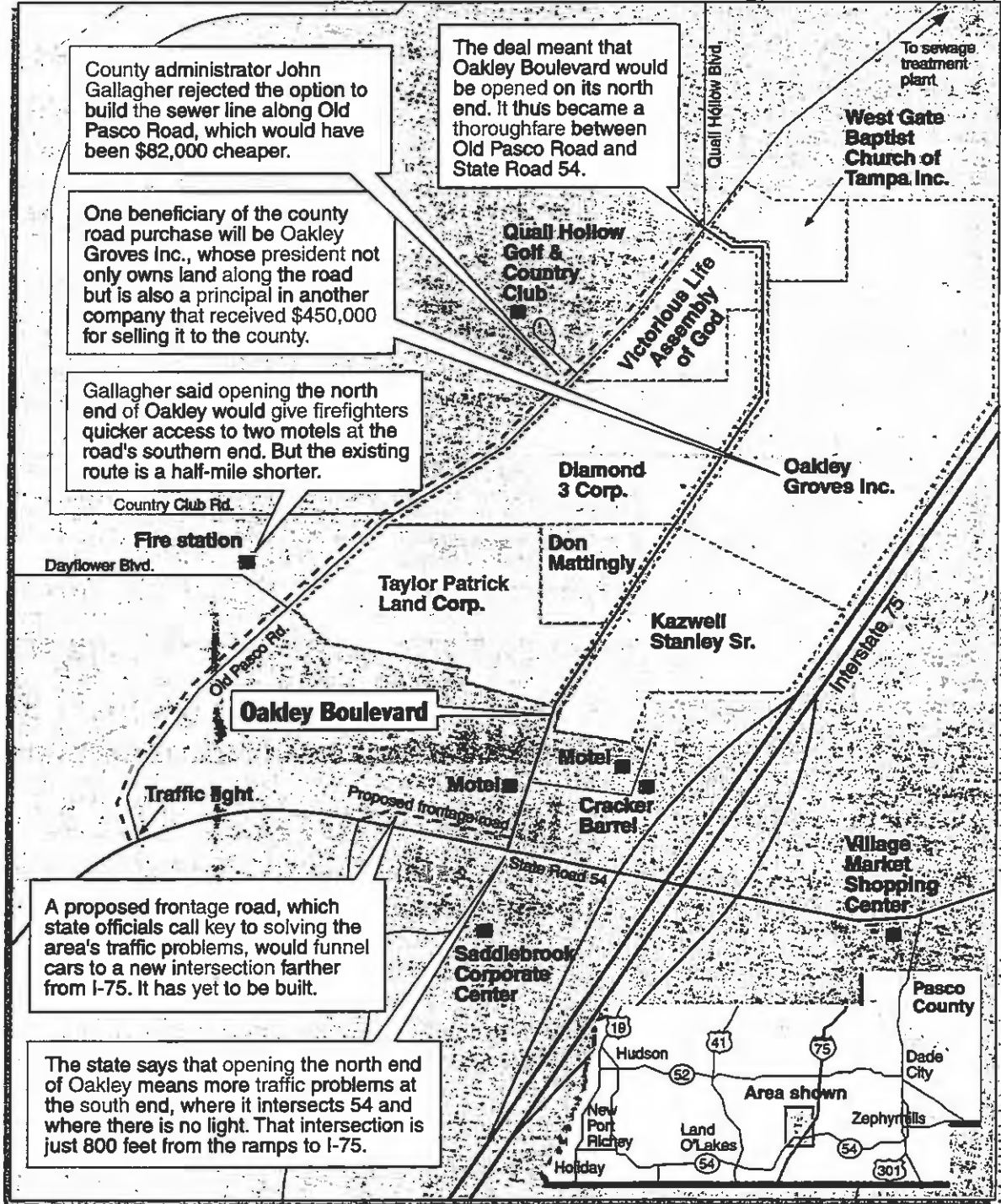
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John Gallagher says buying the road was "a great idea" for the county.

Questionable road purchase

In Dec. 1996, Pasco County bought a private road, the 1.3-mile Oakley Blvd. The county said it needed the land so it could build a sewer line from a treatment plant to the north.



County administrator John Gallagher rejected the option to build the sewer line along Old Pasco Road, which would have been \$82,000 cheaper.

The deal meant that Oakley Boulevard would be opened on its north end. It thus became a thoroughfare between Old Pasco Road and State Road 54.

One beneficiary of the county road purchase will be Oakley Groves Inc., whose president not only owns land along the road but is also a principal in another company that received \$450,000 for selling it to the county.

Gallagher said opening the north end of Oakley would give firefighters quicker access to two motels at the road's southern end. But the existing route is a half-mile shorter.

A proposed frontage road, which state officials call key to solving the area's traffic problems, would funnel cars to a new intersection farther from I-75. It has yet to be built.

The state says that opening the north end of Oakley means more traffic problems at the south end, where it intersects 54 and where there is no light. That intersection is just 800 feet from the ramps to I-75.

Road from Page 1

that Oakley Boulevard not be opened," DOT official Al Gilbranson said.

County transportation planner Doug Uden, a man who had spent months mapping out a traffic plan for the area, was never consulted about the deal.

"I'm not real thrilled about buying that road," Uden said. "I never needed it."

'It's just obvious'

So who benefited?

First comes Thomas Oakley, a citrus grower with substantial land holdings in Pasco. The deal put \$450,000 into the coffers of Oakley Boulevard Inc., a company he owns with developer Benton Murphey. Neither returned several phone messages left by a *Times* reporter.

Their deal with the county allowed Oakley Boulevard, until then blocked at its north end by order of the DOT, to be connected to Old Pasco Road.

There had been a building boom at the southern end of Oakley Boulevard, which boasts a Cracker Barrel restaurant and two motels, with a third on the way. But the land out of sight of SR 54 remained largely undeveloped.

Opening Oakley Boulevard at its north end will put more traffic on the road, boosting the value of the property along its route. Much of that land is zoned commercial, and much is owned by Oakley Groves Inc., a company in which Oakley is a principal.

Other property owners who will benefit include former New York Yankees first baseman Don Mattingly and one of Murphey's companies.

"The more access to real estate you can get, the more valuable it becomes," explained Pasco Property Appraiser Mike Wells. "It's just obvious."

It was obvious to a Tampa-based church that in February paid \$350,000 to Oakley's company for 10 acres at the northern end of Oakley Boulevard.

"It was in my contract that he (Oakley) would negotiate the opening of the road with the county — he had to guarantee that," said the Rev. Bruce Turner of the West Gate Baptist Church of Tampa. "If the road had not been open, people from the big subdivisions to the north . . . would not have been able to access our church."

Hobby, the lawyer who has long represented Oakley, received a \$25,000 fee for his help with the negotiations, county records show. As the county's water and transportation lobbyist, Hobby works closely with Gallagher and Doug Bramlett, the county's utility director. It was Bramlett's need for a sewer line that Gallagher said was the driving force behind the deal.



Times photo — JOHN PENDYGRV

ars wait at Oakley Boulevard to enter State Road 54 during morning rush hour. The state says the intersection is dangerous.

Hobby is also well known to county commissioners, both because he has represented two of them in their private dealings and because he is a prominent local and state political fund-raiser.

Less than three months before the county's purchase, Commissioner Sylvia Young received \$2,000 in campaign contributions from four employees at Oakley Transport Inc., a Lake Wales trucking company in which Oakley is a principal. The \$500 contributions, the maximum allowed, came from a secretary, two dispatchers and a human resources employee.

That same day, Young received \$1,350 in contributions from lawyers at Anderson & Orcutt, a firm affiliated with Hobby's New Port Richey firm. The contributions are listed in consecutive order, just after those from the Lake Wales employees, on campaign records.

David "Hap" Clark, the other commissioner up for election that year, received a total of \$3,100 from lawyers at the same firm in the three months prior to the purchase, according to the records.

Neither Young nor Clark returned phone messages left by a *Times* reporter. But Hobby pointed out that Young's opponent, Ted Schrader, also received campaign contributions that can be traced to Oakley's interests. Prior to the road discussions, in the early part of the campaign, members of the Oakley family and one principal in Oakley Groves Inc. gave Schrader \$2,000.

'Self explanatory'

In the late 1980s and early 1990s, the state's fight to keep Oakley Boulevard from opening generated dozens of news stories. Despite this and some of the unusual aspects of the deal, the county's purchase was placed on the commission's consent agenda — a place reserved for non-controversial county business.

In the summer of 1997, Hobby was at the center of another controversial deal. It involved the owner of a troubled private utility who wanted the county to help him float \$15-million in tax-exempt bonds. Like the Oakley Boulevard purchase, that deal was detailed in a vaguely worded memo and placed on the consent agenda by the county attorney.

Although County Attorney Karla Stetter signed the road memo, she was not involved in the deal.

Gallagher and Chief Assistant County Administrator Bill Munz said Hobby had nothing to do with the road deal's placement on the consent agenda. Gallagher said any

commissioner is welcome to pull any item off the consent agenda; none did.

"I thought it was self-explanatory," Gallagher said of the memo detailing the deal.

That memo, however, did not explain that the county had rejected two less-expensive alternatives. Nor did it mention the DOT's concerns.

That's information Commissioner Pat Mulieri, who represents central Pasco, would have liked to have had. Mulieri said she asked Munz about the cost of the road just prior to the commission meeting.

"I was told the county needed it and that they had been working on this a long time," she said. "I'm just sick. I wish I would have known more. But I didn't have any other information to go on."



County official Bill Munz believes the developer's story about the road.

Munz, the county staffer most involved with the road's purchase, said that "stuff on the non-consent agenda are public hearings or stuff where we think there needs to be some debate, either because the board's policy isn't clear or maybe because they've reversed themselves. After all the haggling and screaming, we just thought we had a deal that was best for the county."

Hobby said he had but a small role in the deal, speaking to Gallagher a few times and attending the closing. He does not remember how much he was paid, but if it was \$25,000, he said, that might have included some past legal fees.

Mulieri, a frequent critic of Hobby, doesn't care how much he was paid.

"Once again the perception by the public could be that there are conflict-of-interest problems here," she said.

But Gallagher said he had "no hidden agenda." He said he takes seriously his responsibility to fully inform commissioners of all possible alternatives.

With the cost of the road, the Oakley Boulevard route was more expensive, he acknowledged when presented with the *Times'* findings.

But he said he didn't look at it that way. Instead, he looked at construction costs alone — and the Oakley Boulevard route cost less to construct, which saved the utility department money, if not the county as a whole.

When pressed to explain why he did not consider the project's total costs, Gallagher

said, "I looked at it from the utility standpoint, and in my mind, this was the most cost-effective option. We just have a difference of opinion."

Gallagher also said he was unaware of the DOT's concerns, did not realize how long the road deal took to negotiate and was surprised to find that the firefighters didn't think they would benefit from the purchase.

'A great idea'

From the beginning, the county liked the idea of making Oakley Boulevard a thoroughfare between Old Pasco Road and State Road 54. The state, however, did not.

Gallagher remembers that "some guys, Ben Murphey, Larry Guilford and Tommy Oakley, came to me in the late 1980s and said, 'How would you like another road to come off Old Pasco Road?' And I said, 'That would be fantastic.'

"The reason I thought it was a great idea — not a good idea, but a great idea — is that we had a lot of people coming off Old Pasco Road onto a dangerous curve in State Road 54."

Once the new road was built, it would serve as an access to what was then County Road 54 for the Quail Hollow and Angus Valley neighborhoods to the northwest. It would also boost development on the surrounding land, 248 acres of which was controlled by the road's developers.

Before the project was done, however, the state acquired 54 acres.

One DOT official thought creating a major intersection just 800 feet from the ramps at Interstate 75 was tantamount to "sitting on a powder keg."

The worry was that heavy volume at the new intersection could create a traffic hazard and cause a logjam that extended all the way onto the interstate ramps.

After almost a year of haggling, during which Hobby threatened that his clients would connect the road with or without a DOT permit, the agency offered a compromise: Oakley Boulevard could be connected to SR 54 but not to Old Pasco Road.

Two years went by and the DOT got a new district secretary. In 1992, the county negotiated a new plan to manage traffic in the congested area. It allowed the Oakley Boulevard-Old Pasco Road connection.

In return, Pasco agreed to build a frontage road that paralleled SR 54. Southbound traffic would be prohibited from using Oakley Boulevard to access SR 54. Instead, traffic would be diverted west along the frontage road to a new intersection to be constructed farther from the interstate.

The frontage road, which DOT official Al

Gilbranson calls "the key to getting this whole thing to work properly," has yet to be built. But a few months ago, the county opened the north end of Oakley Boulevard.

How did that happen? A clause was inserted into the 1992 traffic plan that said Oakley Boulevard could become a through-street if Pasco County were to maintain the road.

What difference did a shift in maintenance responsibilities make to safety concerns?

"None, none," Chief Assistant County Administrator Munz admitted.

But it made a big difference to the owners of the property surrounding the road. The opening of the road has already encouraged development. The Tampa-based church bought property. An unnamed restaurant has expressed interest in property owned by a company in which Murphey is a principal.

Even without the link to Old Pasco Road, DOT officials warned in 1996 that the Oakley Boulevard intersection would reach "an unacceptable level of service" when traffic from two new motels was added.

And just weeks after the county purchased the road, the DOT's district director of operations John Temple wrote that development along Oakley Boulevard "should be discouraged until such time as the frontage road system is installed."

Munz acknowledged that when it comes to Oakley Boulevard, the county's traffic engineering principles are "debatable." But he said they can be made to work.

Before the north end was opened, he said, tourists staying at the road's two motels had to cross SR 54 without the benefit of a traffic light to reach I-75.

Now, they are directed north to Old Pasco Road and back to SR 54 — to the very same signalized intersection that Gallagher once wanted to avoid.

While subdivisions to the north will use Oakley Boulevard as a shortcut, Munz said that will relieve some of the SR 54 traffic between Old Pasco Road and the interstate.

"This is typical gonzo political planning," Munz said. "Administration and election officials are always coming up with some grand plan that makes the (traffic) engineers want to go hide in the bathroom."

Nothing in writing

There is "a missing part of this story," according to Gallagher. The problem is, it's also missing from the county's files.

When Oakley first approached Gallagher about building the road, he had a two-lane, dead-end road in mind that connected only to State Road 54, Munz said. But Gallagher wanted Oakley to construct a two-lane

through-road, with two more lanes of right-of-way set aside in case the road needed widening in the future.

It is the two lanes of right-of-way that county officials purchased in 1996 for the sewer project, though they got the title to the whole road in the bargain.

That meeting led Oakley to believe that the county would reimburse him for some of the road's costs, according to Munz, who was not there at the time but who said he believes Oakley's story. The county has occasionally entered into public-private partnerships to build roads, but those deals have always been negotiated ahead of time and carefully documented.

"If there's a sin here, that's it — we never got anything in writing," Munz said. "It was a squirrely deal."

Over the years, Hobby and Oakley bugged



H. Clyde Hobby has represented both the county and the road's developers.

Munz for the money, Munz said. Munz, in turn, bugged Gallagher, but he said Gallagher was reluctant; without any documentation, the county could hardly write the developers a check for a deal Gallagher didn't even remember making.

"Every time this came up, we'd all look at each other and say, 'My God, how'd we get into a situation where somebody thinks they've got a deal with us and we've got nothing in writing,'" Munz asked.

"Munz was telling me that they thought they were going to get reimbursed for the construction of the road," Gallagher said. "I said, 'I don't know why they thought that.'"

Then, in February 1996, the county approached Oakley to ask for land to run the sewer line, and Oakley refused. No money for the road, no easement, Oakley told Gallagher.

"Tommy (Oakley) had given us land before, (Benton) Murphey had given us well sites — Tommy had finally had enough," Munz said. "From his point of view, we had asked him to build that road.

"The utility easement was the trigger to make this whole thing go to closure."

Gallagher and his staff met with Hobby and Oakley and, in the end, decided to do the deal. Although Gallagher did not raise the point, the county may still profit if the development along Oakley Boulevard increases property and sales tax revenues.

"All I can tell you," Gallagher said, "is I had to deal with the hand I had."

SUNDAY ■ MAY 3, 1998

DISASTER WAITING TO HAPPEN

Pasco County has spent \$4-million in an unsuccessful effort to handle a toxic waste problem caused by incinerator ash.

By JO BECKER
Times Staff Writer

SHADY HILLS — In an air-conditioned control room just above the mounds of garbage, incinerator manager Vince Mannella scanned a row of colorful computer monitors.

"This plant runs like a Rolex," he declared happily. "Gospel truth, just like a Rolex."

But some people think the county's incinerator operation is ticking more like a time bomb than a finely tuned watch.

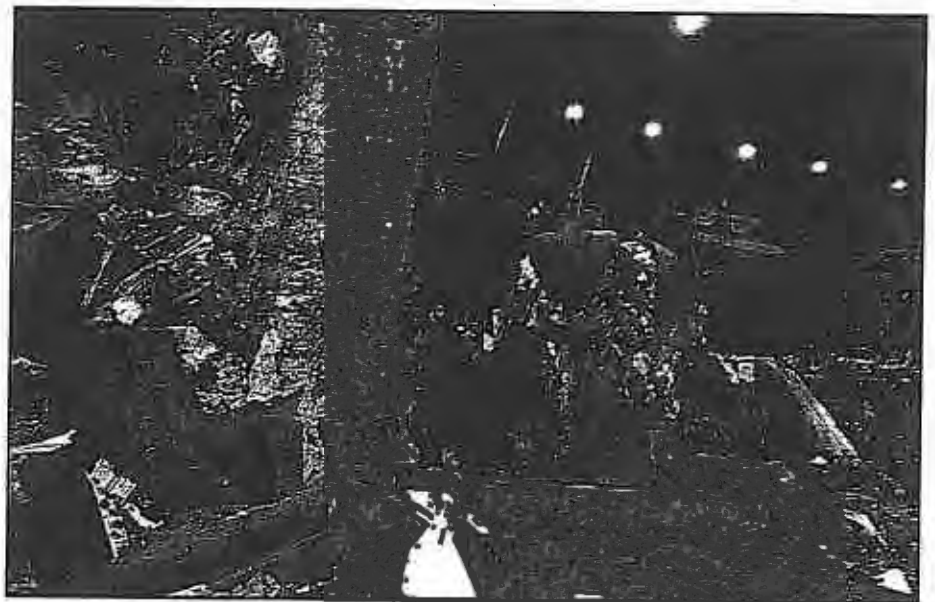
In a nearby dump sits 30-million gallons of toxic rainwater contaminated by the incinerator's ash. State environmental regulators fear it could overflow, burst through the dump's berms or blow out the dump's special liner.

If that happens, the water, which is contaminated with dangerous chemicals such as lead and cadmium, would quickly find its way into the Florida aquifer, the source of this area's water supply.

"We have a potential environmental disaster waiting to happen," the county's own consultant, Richard Mayer, wrote in a December memo.

The "emergency" situation "poses a serious threat" and "threatens adjacent wells and water users," warned Rick Garrity, head of the Tampa office of the Department of Environmental Protection. Pasco officials received his letter just last week.

Water isn't supposed to collect in the ash dump; it is supposed to be piped away and treated. Both Mannella and his boss, county utility director Doug Bramlett, blame El Nino for the



Times photos — TONI L. SANDYS

This 10-foot high claw can pick up 6,000 pounds of trash at a time and move it to the plant's incinerator, where it is then turned into ash.

county's problems.

"There's no way we could have handled all that rain," Bramlett said.

But the county has itself to blame, according to the DEP. Officials there contend that a series of missteps and miscalculations created problems long before El Nino.

And, in an effort to save money, the county has persistently failed to move quickly to address those problems, DEP says.

"We have been repeatedly telling them for the past six months, warning them that if they don't get rid of this stuff by June they are going to be in a world of hurt because it's going to start

raining again," said Kim Ford, who works in the DEP's solid waste division.

County Administrator John Gallagher, the man ultimately responsible, could not be reached for comment.

Mannella and Bramlett say the DEP is overreacting. They say the county is doing the best it can while officials search for faster alternatives that are cost effective.

For now, they are gambling that it won't rain excessively and that the dump's liner and berms will hold.

The chances of a prolonged, heavy rain are "very, very slim," Mannella said. "I don't think we have a problem. Does that mean I don't worry about it?"

No, I worry about it every day and every night. That's my job. As long as I worry about it, the county commissioners don't have to."

That's good enough for Commission Chairwoman Sylvia Young, who received a copy of Garrity's letter.

His dire predictions, she said, are just "one man's prediction. I understand that we're doing everything that can be done."

Like Bramlett and Mannella, she is also worried about costs.

Commissioners have already borrowed close to \$4-million to build a plant designed to treat the contaminated water, a plant that has almost never worked properly, and at the moment does not work at all.

But up to millions more may be needed before the problem is solved to

the DEP's satisfaction.

Still, failing to deal with the problem now could be even more costly, both in terms of dollars and potential health problems.

The county would likely have time to clean up the mess before it contaminated anyone's wells, according to Dr. Joe Sekerke, a toxicologist with the state department of health. But it "wouldn't be easy and it wouldn't be cheap."

And, Sekerke said, left unchecked, there is some chance it could be concentrated enough to potentially cause serious health problems, ranging from brain damage in children to cancer.

"People don't need to immediately panic if this stuff goes over the berm,"

Please see **TOXIC** Page 3



pile of fresh ash sits alongside the flooded landfill at the Pasco County Solid Waste Facility. The ash is contaminated with salts and me

Sekerke said. "But everything possible should be done to prevent that from happening."

Problems foretold

From the beginning, the incinerator's critics said something like this could happen.

Seven years ago, they protested, fasted and fought a legal battle to keep the plant from opening. County Commissioner Pat Mulieri cut her political teeth in the fight.

Critics feared the ash dump would somehow leak into the aquifer, which is especially porous in the Shady Hills area.

County officials promised that could never happen.

As an added precaution, a special, double liner was constructed to hold the ash. At the time, only a single liner was required.

But almost from the day the incinerator opened, there were problems.

The incinerator burns garbage, producing ash contaminated with salts and dangerous metals. The ash is placed in dumps. Rain falling on the dumps creates contaminated water called leachate.

Initially, the county piped leachate to a nearby wastewater treatment plant. There, it was mixed in with regular sewage and treated, then sent to ponds, where it seeped into the earth.

The process removed most of the dangerous metals, and the hope was that the salts would be diluted enough to meet federal and state ground- and drinking-water standards. It had worked elsewhere.

But as early as 1991, the year the incinerator opened, test wells showed that salts were beginning to contaminate the aquifer. By 1992, records show that county officials knew the problem was due to the extremely salty nature of its ash leachate. But rather than pay to haul the leachate away, the county continued to pollute the ponds for four more years while it searched for and put in place a solution.

"At that point, we didn't know how severe the problem was," said Bramlett. "It wasn't like, 'Oh, we have a major contamination problem right now.' It just kept creeping up on us and getting worse and worse."

It wasn't until 1995 that alarm bells went off at the DEP.

The following year, the DEP ordered the county to quit sending the leachate to the wastewater treatment plant. It also ordered the county to come up with a plan to suck from the aquifer the huge salty blob of water, which is migrating slowly to the northwest and has already caused the county to replace two fouled private wells. The cleanup, yet to be started, will cost an estimated \$200,000.

Before the county even signed off on the DEP's order, it had come up with a new plan. Officials proposed to build a special leachate management plant that would evaporate the water, leaving behind a solid mass of salts and metals.

Those solids would be double-bagged in plastic and placed back on the ash dump. That raised some concerns with Ford, the DEP official, who worried that if the bags broke, the leachate would become even more concentrated and difficult to treat than it already was.

Darwish El-Hajji, the county's consultant, agreed and promised only "a minimum amount of bag breakage."

Bad call

The leachate treatment plant came on line in May 1997 and was hailed in a trade publication as a cutting edge solution to a tricky problem.

But once again, the county encountered trouble.

The DEP-approved operating plan called for the dump to be divided into thirds. Ash was to be placed in the dump one-third at a time, while the rest would be kept ash-free. That way, most of the rain falling on the dump could simply be drained off without treatment.

But county officials placed the bags of salt in the ash-free part of the dump, and almost immediately the bags began breaking. In the process, officials contaminated the entire dump. That had the effect of tripling the amount of leachate needing treatment every time it rained.

"Duh, bad call," said Pete Burghardt, a DEP official put in charge of forcing Pasco into compliance.

Meanwhile, the \$4-million plant, which was supposed to process 35,000 gallons of leachate a day, worked properly for only one month. After that, it was sometimes good for only a small portion of that, or none at all.

Leachate began to build up in the dump.

In October, unusually heavy

Adding up the costs

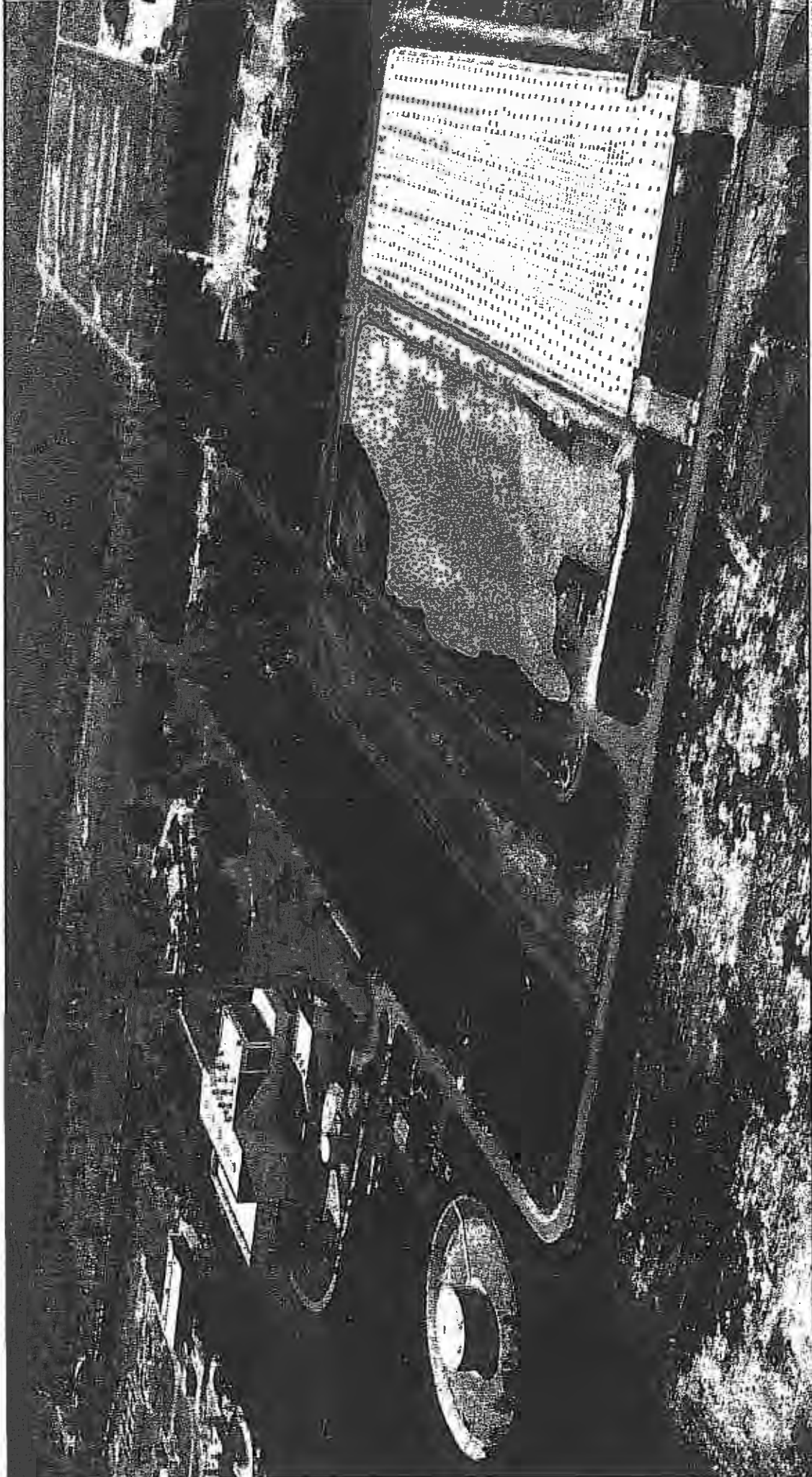
Pasco's original plan to clean up water contaminated by ash from the incinerator failed. The county has spent almost \$5-million on alternative solutions, and millions more might be needed before the problem is solved. Here are some highlights:

COSTS TO DATE

Leachate Management Plant	\$3,975,356
Hauling costs	\$215,000
Consultant, engineer fees	\$575,390
Replace two private wells	\$15,613
"In-kind" pollution penalty	\$45,000
Total	\$4.83-million

POTENTIAL COSTS

Clean up already polluted aquifer	\$200,000
Rain tarp for ash dump	\$85,000
Haul, treat leachate (worst case)	\$4.1-million
Total	\$4.39-million



Times photo — TONIL SANDY

Experts say there are 30-million gallons of toxic water waiting to overflow the ash holding cells at the Pasco County Solid Waste Facility in Shady Hills.

rains for the second consecutive month made Bramlett realize he had to do something. He asked DEP to allow him to treat the leachate at a few of the county's other wastewater treatment plants. He also began negotiating with the city of Tampa to treat the leachate at its huge wastewater plant, whose size virtually assured success.

Burghardt gave Bramlett a 30-day tryout. Using the plant the county shares with New Port Richey was fine: its treated wastewater discharges into the already salty Gulf of Mexico.

But if the levels of salts were even a little too high at any of the other county plants, Burghardt said, it would have to stop immediately: Another groundwater pollution site was the last thing anybody needed.

Bramlett hired a hauler. But after only a few runs, with the exception of New Port Richey, the operation came to a halt. The ash was just too salty.

As if matters weren't bad enough, the leachate treatment plant completely broke down in November. And again that month, the rains were unusually heavy.

The DEP sent a warning letter: Too much leachate was pressing down on the dump's liner, and the county wasn't treating enough of it to keep up with even the new rain.

The county hired someone to design a rain cap, expected to cost \$85,000, to stop the rain from falling into part of the dump. To do that, at least that portion of the dump had to be dry. But inexplicably, the county decided to cut back the amount it was hauling.

"We were being promised (by the plant's manufacturer) almost on a daily basis that the plant was going to be back on line," said Bramlett.

The timing could not have been worse. El Nino's rains flooded the county in December.

'NO!!!'

County officials turned frantic. The leachate plant still wasn't working. New Port Richey and Tampa were taking some of the polluted water, but not enough.

Bramlett wrote to the DEP, proposing to resume piping the leachate back through its Shady Hills wastewater treatment plant, where it would then enter the same ponds that were the genesis of the first groundwater contamination.

The memo came to Burghardt. He took one look, grabbed his pen and scrawled one word across the top:

"NO!!!"

In January, New Port Richey told the county to stop delivering the leachate to its plant. The stuff was killing the plant's ability to treat wastewater, city officials said.

That same month, a DEP department head in Tampa indicated that more needed to be done, no matter what the cost.

"Pasco County has refused to haul leachate long distances, which is routinely practiced at other solid waste facilities," he wrote.

In February, the county finally found a plant in Jacksonville that would treat a third of the entire mess.

The price tag to haul it there and treat it: \$4.1-million.

That, Bramlett wrote Garrity, was "cost-prohibitive."

New Port Richey pulled the plug in February. City utility manager Thomas O'Neill penned an angry letter to Bramlett. The county, he said, had continued to use the plant despite the city's request to cease doing so and "with the county staff's full knowledge of the detrimental effect leachate has on the wastewater treatment plant process."

Between February and April, the county continued to haul 72,000 gallons per day to Tampa, less than a third of what the DEP believes is needed to get the situation under a measure of control.

This is the situation today:

The dump is about three feet from overflowing. Each day, more ash is added, which makes the water level rise. A protracted period of heavy rains could send the leachate spilling over.

Meanwhile, 12 times more water presses down on the liner than there should be. And the berms weren't designed to withstand any water pressure at all.

The good news is that the primary liner, which is expected to leak some, is leaking 1,200 gallons per day, well within acceptable limits.

Tampa has agreed to take 125,000 gallons per day. And the county hopes to get its treatment plant back on line some time this month.

"It'll be enough to prevent a spill," Bramlett said.

But the DEP isn't so sure. Officials there are in the process of deciding whether to order the county to do more.

Garrity, the head of Tampa's DEP, said theoretically, Tampa

may be able to double the amount of leachate it is currently treating. If that happens, and if the county's own plant actually works, it may be enough in the short run, he said.

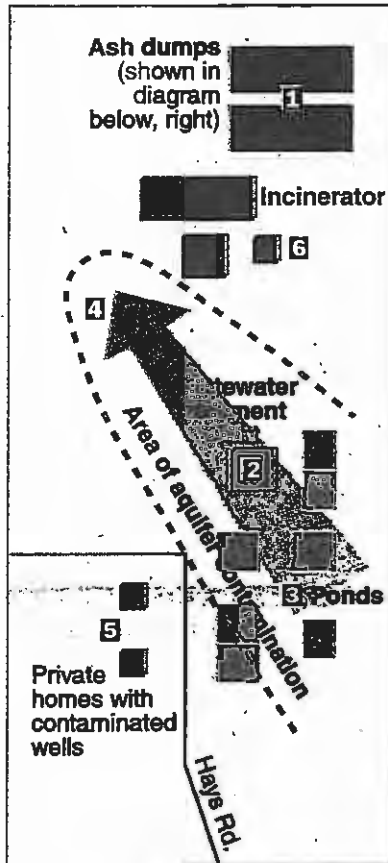
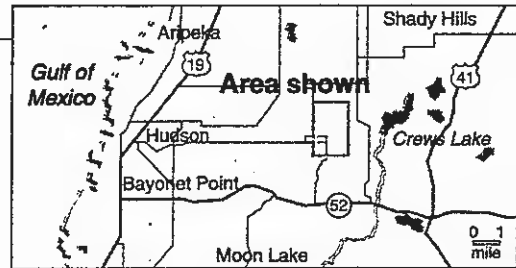
"My feeling is that during this next month, before the rainy season starts, they have to nail all this down," he said.

Garrity said that while he still

worries about the dump's liner and berms, the most pressing worry at the moment is that the dump not overflow.

"If we could be assured that they are either hauling or treating enough of it to keep that from happening, that would give us a small window of time to find a final solution."

Toxic water 'poses a serious threat'

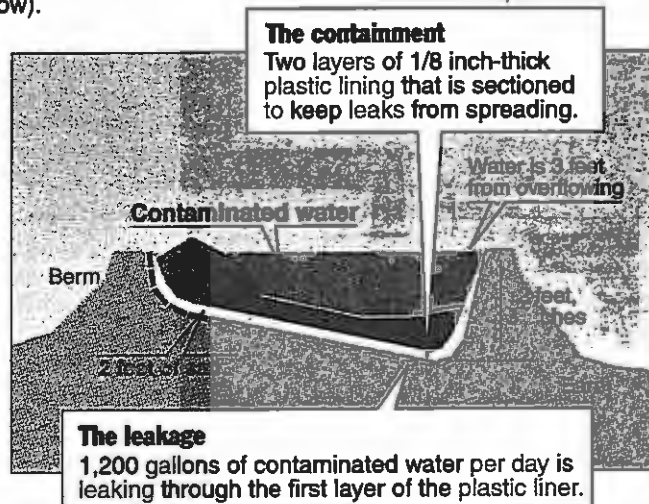


A bad situation . . .

Pasco County's incinerator produces ash contaminated with salt and dangerous metals such as lead and cadmium. The ash is stored in two big dumps near the plant (1 on the map). Rain falling on those dumps creates contaminated water. Originally, that water was put through a wastewater treatment plant (2) to remove some impurities and dilute others to acceptable levels. The water was then pumped into some nearby ponds (3), where it would seep into the earth, which was to filter out the rest of the pollution. That didn't work: The water still contained high levels of salts. The contaminated water is slowly spreading to the northwest (4) and has caused the county to replace the fouled wells of two nearby homes (5). The county built a \$4-million "leachate management plant" (6) to treat the water that formerly had been sent to the ponds. The idea was to evaporate the water, leaving just the salt and metals. These were then stored back in the ash dump (1). But the new plant never operated to capacity and is now shut down. And the bags holding the salt and metals leaked, worsening the water contamination in the ash pits. Now the water in one pit is close to overflowing, posing a potentially significant health risk. (Please see cutaway view below).

. . . could get worse

Heavy rains and county missteps have left the dump filled with 12 feet of water. It is only supposed to hold one foot. The fear is that the berms containing the water will give way, the double plastic liner will burst or the pit will overflow. Such an event would send heavily polluted water into the aquifer.



Dangerous chemicals

The county must deal with polluted water created when rainfall washes through ash created by the county incinerator. The county's failure to adequately treat the water has already spread

sodium and chlorides around the incinerator site. Water building up in a nearby ash pit poses a much greater danger.

CHEMICALS ALREADY POLLUTING GROUND WATER NEAR INCINERATOR

Chemical	Effects	Amount DEP allows	Maximum amount found in monitor wells
Sodium	Can be hazardous for high blood pressure patients — about 5% of the population. High concentrations turn fresh water to salt water.	160 milligrams/liter	619 milligrams/liter
Chlorides	Can cause bad taste, odor or smell in water.	250 milligrams/liter	2,000 milligrams/liter

CHEMICALS THAT COULD POLLUTE AQUIFER OR REACH PRIVATE WELLS IF PIT OVERFLOWS OR BURSTS

Lead	Over time, quantities of .06 milligrams/liter can cause brain damage in young children. At higher levels, it can cause kidney damage and anemia.	.015 milligrams/liter	2.30 milligrams/liter
Cadmium	Probably causes cancer.	.005 milligrams/liter	.17 milligrams/liter
Sodium	Can be hazardous for high blood pressure patients — about 5% of the population. High concentrations, turn fresh water into salt water.	160 milligrams/liter	5,120 milligrams/liter
Chlorides	Can cause bad taste, odor or smell in water.	250 milligrams/liter	49,991 milligrams/liter

Sources: DEP and Dr. Joe Sekerke, toxicologist at Florida Department of Health

Times art

CLYDE HOBBY

A PORTRAIT OF POWER

His contributions to the county are many.
But some wonder about his mix of money, politics,
personal business and public policy.

By **JO BECKER**
Times Staff Writer

Inside a tastefully appointed suite at the Ice Palace, lobbyist Clyde Hobby played host to a group that included lawyers, lawmakers and GTE consultants. The men had paid \$1,000 apiece to sip beer, nibble on garlic-roasted pork and schmooze with Rep. John Thrasher, Florida's next Speaker of the House.

The Tampa Bay Lightning lost their hockey game that night. But as the organizer of the political fund-raiser, Hobby, as usual, won friends and influence.

"The Republican Party certainly appreciated it," said Rep. Mike Fasano, R-New Port Richey, who worked with Hobby on the fund-raiser. "And I don't mind saying that it was nice for me to be able to help John Thrasher — it helps me get a good position in his administration."

Money, and Hobby's ability to raise it for political candidates, has made him perhaps the most powerful man in Pasco County.

Some other influential people say Hobby has more pull than any single commissioner or the county administrator, and tacitly bow to his power by refusing to talk about him on the record.



Times photo — TOM L. SANDYS

Clyde Hobby on Wednesday told county commissioners that he was resigning as lobbyist for the county. He was hired in 1991.

"There is no two-party system in Pasco," said one veteran of Pasco County Democratic politics. "There's only the party of Clyde."

Say, for example, you want a patronage job from the governor.

You will have to ask Hobby, who raised a lot of money for Lawton Chiles in the last two elections and now controls gubernatorial appointments in Pasco.

Want to run for the County Commission?

Better see Hobby. He has a reputation as the best fund-raiser around, and he has helped elect two current commissioners.

Need a good development lawyer?

Hobby, who has handled the personal legal affairs of commissioners Sylvia Young and David "Hap" Clark, almost never loses a case before the County Commission, where he is hugely popular.

Four out of five commissioners credit Hobby with saving Pasco's damaged land from further overpumping of groundwater, bringing home large sums of money for major highway improvements and saving various projects from the governor's veto pen.

They have paid him \$100,000 a year to lobby for Pasco's interests in Tallahassee, but they consider that a bargain. Nor do they begrudge him the \$1.1-million they have paid his law firm to wage the region's water wars.

They have largely ignored repeated questions about potential conflicts created by Hobby's multiple public and private roles.

When Hobby announced last week that he was quitting as the county's lobbyist, a choked-up Commission

Chairwoman Young rushed to embrace him.

"There's never been a harder working person, from the courthouse to the White House, than Mr. Hobby," she said. "Wherever his little feet have trodden, he's left a mark."

But in Tallahassee, Hobby is regarded as a middle-level lobbyist whose greatest asset, his ability to gain Chiles' ear, is hardly unique.

"That's impressive to people who aren't savvy to the way things work up here," said former state senator and lobbyist Curt Kiser. "But there are a lot of people who can do that."

And there are some who say Hobby, 56, has thrown the governor's name around when he couldn't always back it up, overstated his own accomplishments, worked with a relatively small group of local legislators and kept mostly to himself.

"I do not understand the Pasco County Commission's affinity for Clyde Hobby — as lobbyists go, he's not even in the middle of the pack in terms of real power," said Sen. Ginny Brown-Waite, R-Spring Hill. "To have spent \$1-million on him — my God, I'm glad I'm not a taxpayer in Pasco County."

It all begins with money

All good lobbyists know that raising money and networking is the key to obtaining access to politicians, influence and clients.

But even by those standards, Hobby has created an especially tight circle of symbiotic relationships, where he uses his power to help friends and clients, and they augment his business and contribute to candidates he supports.

"The real secret to raising money is asking for it," Hobby said in his low, slow drawl. "I know very few candidates that are any good at raising money, because they are either embarrassed or shy about asking."

Hobby is neither.

In a county where it is increasingly difficult to raise big bucks for local races, records show that at least one-sixth of the total 1996 contributions received by Democratic Commissioner David "Hap" Clark came from people linked to Hobby. They included people Hobby helped to get patronage jobs, his law clients, companies or people that have business ties to those clients, people to whom he has corporate ties, or lawyers at the law firm of his cousin, Steve Anderson.

Commission Chairwoman Young received more than one-sixth of her total 1996 contributions from the same group. In both cases, most of the contributions that can be linked to Hobby came in bundles of three or more on the same day.

Clark, who in 1995 ignored County Administrator John Gallagher's selection process and made the motion to hire Hobby as the county's water lobbyist, received at least \$8,150. Young received at least \$8,600.

"I'm surprised they (my clients) didn't give more," Hobby said upon hearing those numbers. "But I can't say I raised all of that."

Long associated with Democratic Party politics, Hobby has of late been cultivating Republicans. The Ice Palace fund-raiser is one example.

Ed Collins may be another.

People with ties to Hobby gave the Republican county commissioner at least \$3,100 for this year's election, more than 10 percent of Collins' total to date. Collins received four checks, totaling \$2,000, last New Year's Eve.

Collins, who has gone from being an occasional critic of Hobby's to one of his biggest champions, denied receiving help from Hobby. "I know most of these people," he said.

But most never contributed to his last campaign. Dewey Mitchell is one of the investors in Golden Acres Development Corp., which gave \$500 to Collins. He said Hobby's law partner Frank Grey talked to the company's managing partner about giving Collins the contribution.

Hobby said he isn't helping Collins. He also said that Grey acted on his own and that he is "proud of him."

Money helped Hobby establish ties to the governor's mansion as well, according to prominent Democrat fund-raiser Marcelino Oliva, and that in turn gave Hobby sole control over the governor's patronage appointments in Pasco.

"The governor rewarded him by making him the point person," said Oliva, who along with former property appraiser Ted Williams used to share that responsibility with Hobby. "For whatever reason, Ted and I were out of the process."

In one case, records show Hobby helped appoint the business associate of

one of his clients, a developer of low-income housing, to the Pasco County Housing Authority. That agency is charged with finding housing for poor people.

Since 1996, companies and people connected to the developer, Joseph Borda, donated at least \$3,700 to the Democratic party and Lt. Gov. Buddy MacKay's campaign. Young and Clark received a combined \$1,800.

Records show Hobby also played a role in appointing or reappointing all five Pasco members of the nine-member Pasco-Hernando Community College Board. From 1992 to 1995, the board paid Hobby \$15,000 a year to look after its interests in Tallahassee. When Bob Judson became president in 1995, he said Hobby's position was not needed.

One board member said during a meeting then that he "could not pinpoint anything that (Hobby) has done for the college that merits the amount of money being paid to him." Hobby resigned before the vote could be taken.

Chiles later appointed Hobby's wife, who is a former teacher, to the board.

In other cases, Hobby has helped to land appointments for his law partner (Fred Reeves), his former law partner's husband, several of his law clients and a board member (King Helie) at the Harbor Behavioral Health Care Institute, a non-profit psychiatric hospital that has paid Hobby to lobby for state funding.

Hobby said it is difficult to find good people for patronage slots. And he said that he chooses people not because they do business with him, but because they supported the campaigns of Chiles and Lt. Gov. Buddy MacKay.

Contribution or investment?

Hobby attributes his remarkable success in representing clients before the County Commission to a simple formula: He counts his votes before he takes a case, and always tries to put the interests of the county first.

"A local attorney once asked me, 'Clyde, why do you have such success before the County Commission and I don't?' And I told him, 'It's because you take bad stuff up there and I don't.'"

Former county commissioner James Hollingsworth said he remembers Hobby as a prepared lawyer who often won him over with clearly reasoned arguments. But Hollingsworth said things have changed since he left the commission in 1984.

"When he promotes the elected politicians and then represents clients before them, it's not a contribution, it's an investment," Hollingsworth said. "People don't give away that kind of money out of the goodness of their hearts. He pretty well gets what he wants because the majority guarantees that he gets it."

Commissioner Pat Mulieri, Hobby's sole critic on the board, recalled an unsuccessful attempt to make a developer put up an expensive buffer wall. She couldn't figure out why she was outvoted 4 to 1.



Times photo — TONI L. SANDYS

Clyde Hobby distributes copies of his resignation speech to county commissioners Wednesday.

Hobby on Hobby

"Gosh, gee, man alive. I wonder if I could market that?"

— upon hearing that someone said the only political party in Pasco County is the "party of Clyde."

"The real secret to raising money is asking for it. I know very few candidates that are any good at raising money, because they are either embarrassed or shy about asking."

"People trust me to pick the right candidate."

— on why people give him campaign contributions

"A local attorney once asked me, 'Clyde, why do you have such success before the County Commission and I don't?' And I told him, 'It's because you take bad stuff up there and I don't.'"

"I've had lawyers stop me and say, 'Man, I wish I could get that kind of publicity. But I don't view it that way.'"

— on press coverage over the last year

"Then I talked to one of the staff people and they said, 'Don't you know? That lawyer is from a firm connected to Hobby's.'"

Ben Harrill, a former county attorney who is now in competition with Hobby, said Hobby's firm does have a lot of influence. But he said it has to do with trust, not necessarily campaign money.

"I don't think the commission thinks about that," Harrill said. "They like Clyde anyway because he's a part of the county and he does a good job."

Still, even some of Hobby's closest friends aren't sure that one man can represent the county, private clients before the county, and the interests of individual commissioners without finding himself in conflict.

Over the past year, the *Times* revealed that with almost no public scrutiny, Hobby helped persuade the county to make a

one-of-a-kind \$450,000 purchase of a private road owned by one of his clients and helped another developer build a nine-story building in height-restricted Gulf Harbors without a publicly posted hearing.

Hobby helped that same developer, Joe Borda, take another property off Pasco's tax rolls by lobbying the Legislature for a special tax break. And he tried to persuade the commission to sign off on a \$15-million bond deal that would have benefited a private utility Borda heads. The deal was withdrawn after the utility's environmental troubles were made public.

Hobby also represented commissioner Clark in his private dispute with a state agency. He didn't bill Clark until after his efforts were made public.

Before Hobby resigned as county lobbyist last Wednesday, the man who got him started in Tallahassee, School Superintendent John Long, had this to say:

"Sometimes I think it's difficult when you work for so many people to always do the exact right thing. Clyde has so many clients, so many people wanting his services, it's hard to know that everything you're doing is the right thing."

Money, lawyers, power

Hobby grew up in Dade City, the son of a gas station owner. He learned early that money, lawyers and power mixed well. Back then, Democrats controlled the county and politicians were controlled by a few wealthy families.

"It was pretty well the old establishment, people from the old Dade City and San Antonio establishment, that decided who would run and who would win," Hobby said. "Most of the leaders in Pasco County in those days were lawyers."

When Hobby was about 9, one of those lawyers approached him after he gave a church presentation on a painting of the life of Christ. The little boy listened as the man told him he might make a good lawyer someday.

Hobby received a full scholarship to Stetson University as an undergraduate, but he ran out of money after his first year at Stetson Law School. By then, he was married to his wife, Joy. He approached the college's comptroller.

After looking over his grades, the comptroller invited Hobby to a lunch meeting with Leroy Highbaugh, one of the college's board members.

"There were two other students there," Hobby recalled. "We finished lunch and he informed all three of us that he was going to pay our way through law school."

It was the first of many powerful men who would help Hobby's career. After law school, he went to work for Joe McClain, a well-known Dade City lawyer who knew his father from the gas station.

The two men attended Florida Gators football games together and talked politics. McClain liked the younger man's legal mind and his easygoing, gentlemanly manner. Within a year, he made Hobby a partner.

Over on the west side of the county, development was booming, and Hobby liked real estate law. Eventually, the young lawyer headed west.

His first foray into County Commission politics came in 1976. He joined a group of about 125 businessmen trying to oust Mike Olson, who was then a county commissioner and is now the tax collector. Olson had cast the swing vote in establishing zoning laws in Pasco.

Olson won re-election by a landslide. Afterward, Hobby said some members of the group met for lunch.

"One of them said, 'What are we going to do now?'" Hobby recalled. "I said, 'I'm going to get down on my knees and apologize to Mike Olson.'"

Two years later, Hobby chaired Olson's re-election campaign. Former Property Appraiser Williams, the godfather of Democratic politics in Pasco, took Hobby under his wing. The three men became inseparable.

Hobby joined the county political establishment, sitting on several advisory committees that made recommendations on land development regulations. He quickly gained a reputation as a top development lawyer.

But by the late 1980s, with the county in a recession and new state land development codes making rezonings more difficult, work had slowed significantly.

John Long was at that time a state representative from Pasco. Hobby had helped him raise money for Democratic legislators.

"When the economy changed, John started saying, 'You know all these guys, you've raised money for them, why don't you start lobbying?'" Hobby said.

Long helped direct a list of clients to Hobby, including big players such as GTE and Gulf Power. But in 1994, he publicly chastised Hobby for using his name to attract clients.

To show his displeasure, Long, the House appropriations chairman, didn't put into the budget some money being sought by two of Hobby's clients.

"I don't want anyone to think they can hire anyone and have special access to me," Long said at the time.

When Long retired, there were those who said Hobby would not last in Tallahassee. But Hobby had worked hard to establish close ties to Chiles. The two had met at a hunting club years before. Hobby helped him in the 1990 election. And during the 1994 election, Hobby took months off work to raise money for Chiles, eclipsing Williams as the governor's point man in Pasco.

His close ties to Chiles helped persuade county commissioners in 1995 to hire Hobby as their water lobbyist.

Taking credit

When he resigned from his Pasco lobbying jobs Wednesday, Hobby cited a list of accomplishments. He said that without his help:

■ The Suncoast Parkway would not have been built.

■ The state would not have funneled millions of dollars into road improvements throughout the county.

■ And the water wars would not have been successfully concluded.

But in all three cases, Hobby must share credit with others.

The Suncoast Parkway was an idea that County Administrator John Gallagher pushed for years. Another major player was James Kimbrough, a prominent figure in Hernando County, who sat on the state transportation commission that reviews major expenditures.

"I'm satisfied that Clyde Hobby played an important role," said Don Crane, president of Floridians for Better Transportation, a group that has also pushed the project. "But there's no question in my mind that this would have happened in a

timely fashion without Clyde Hobby."

Hobby can take some credit for road improvements, but the unique financing deal that speeded the flow of state transportation money to Pasco was in the works before he became the county's transportation lobbyist.

There's no question that it was Hobby who persuaded Chiles to tour Pasco lakes and wetlands devastated by overpumping.

"He said, 'Clyde, I'm going to come because you asked me. But I'm not going to get involved in micromanaging the issue,'" Hobby told commissioners last week. But after the tour, Hobby said the governor was dismayed by the damaged landscape.

"Clyde, why did this happen?" Hobby said the governor asked.

The tour was a turning point, but some paint a more complicated picture of Hobby's efforts to bring an end to the region's water wars.

Representative Carl Littlefield, R-Dade City, criticized Hobby in 1996 for pushing a water bill that he said would be "devastating" to Pasco, and suggested Hobby only supported measures he knew would pass in order to make himself look good before the county commission.

Kiser, who is paid \$20,000 a year to lobby for St. Petersburg, said that in 1997 Hobby claimed the governor would veto a bill if Pasco wasn't exempted from several clauses.

"It was beyond what the governor had said he would support," Kiser said. "When they found out, they made it quite clear that the governor wouldn't support that. Right there at the table we rewrote the bill to exempt only what was supposed to be exempt."

Hobby disputed that account, but April Herrer, the governor's spokeswoman, said, "Kiser's recollection is correct."

Sen. Jack Latvala, R-Palm Harbor, worked closely with Hobby. He praised the lobbyist, but said the region's water management district — and the money it put forward to help encourage other, alternative sources of water — was the key to completing the deal.

And Gilliam Clarke, a local water activist who has traveled back and forth to Tallahassee to fight for Pasco's water, said activists were the ones who originally made Pasco's problems known to the Legislature.

"But no matter what happens, no matter who does it, Clyde takes the credit," she said. "I guess you can't blame the guy — he's just trying to make a living."

Out of the spotlight?

With his lobbying role coming to an end, the question for Hobby becomes: What's next? He has made significant inroads with Republican legislators, and hopes to help get Lt. Gov. MacKay elected governor.

But his plans, he said, are to spend more time on local real estate law and less time in Tallahassee.

Hobby, who once decided against running for elected office because he didn't want to give up his privacy, said his law practice has suffered because of the media scrutiny he has endured over the past year.

"One fellow said to me recently, 'You don't have as much power as you used to because of you being in the spotlight,'" Hobby said. "Clients are afraid that they're going to be unjustly spotlighted and ridiculed — I don't know any businessman who wants his name in the paper."

When the ruckus dies down, Hobby said he hopes to return to a "sane, normal lifestyle" where people think of him as an "honest and hard working man. That's the reputation I had until ya'll started writing about me."

— Staff writer Geoff Dougherty contributed to this report.



"The Republican party certainly appreciated it. And I don't mind saying that it was nice for me to be able to help John

Thrasher — it helps me get a good position in his administration."

— **REP. MIKE FASANO**
R-New Port Richey, on a Hobby-organized fund-raiser for the GOP



"There's never been a harder working person, from the courthouse to the White House, than Mr. Hobby.

Wherever his little feet have trodden, he's left a mark."

— **SYLVIA YOUNG**
County Commission chairwoman



"I do not understand the Pasco County Commission's affinity for Clyde Hobby — as lobbyists go, he's

not even in the middle of the pack in terms of real power. To have spent \$1-million on him — my God, I'm glad I'm not a taxpayer in Pasco County."

— **SEN. GINNY BROWN-WAITE**
R-Spring Hill

"The governor rewarded (Hobby) by making him the point person" for patronage appointments. For whatever reason, Ted and I were out of the process."

— **MARCELINO OLIVA**
along with former property appraiser Ted Williams, Oliva used to share that responsibility with Hobby



"Then I talked to one of the staff people and they said, Don't you know? That lawyer is from a firm connected to Hobby's."

— **COMMISSIONER PAT MULIERI**
recalling why she was outvoted 4-1 in an attempt to make a developer put up an expensive buffer wall



"Sometimes I think its difficult when you work for so many people to always do the exact right thing. Clyde has

so many clients, so many people wanting his services, it's hard to know that everything you're doing is the right thing."

— **JOHN LONG**
School superintendent

"I'm satisfied that Clyde Hobby played an important role (in promoting the Suncoast Parkway). But there's no question in my mind that this would have happened in a timely fashion without Clyde Hobby."

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"No matter what happens, no matter who does it, Clyde takes the credit. I guess you can't blame the guy — he's just

trying to make a living."

— **GILLIAM CLARKE**
water activist

Building's sale raises suspicions



Questions surround the sale of a building owned by Dr. Marcelino Oliva for \$395,000. The county is diverting a \$150,000 grant to help finance the deal.

■ Commissioners help finance a deal for Marcelino Oliva to sell a building for \$103,000 over appraisal.

By JO BECKER
Times Staff Writer

Dr. Marcelino Oliva owned a building he could not sell. It sat on the market for almost a year without a nibble. Then the prominent Dade City Democrat found the perfect buyer:

You, the taxpayer.

Earlier this month, the politically connected Oliva persuaded the County Commission to help finance a deal that allows him to unload his building for at least \$103,000 more than the county property appraiser calculates it is worth.

In a year in which El Nino rains flooded large parts of Pasco, the commission unanimously voted to divert a \$150,000 grant earmarked for a Zephyrhills drainage project to a non-profit medical group that wants to buy Oliva's building.

The medical group, which Oliva helped found, won the federal grant despite the fact that the county staff did not include the request on its initial list of recommended projects. And the county's grant director, who also happens to sit on the medical group's board, has lingering concerns about the 47-

year-old building's high sale price.

In the midst of all this, Oliva gave some timely campaign contributions to some odd political bedfellows.

First came Republican Commissioner Ed Collins, a man Oliva worked to defeat four years ago, even as Oliva was running his own bitter campaign against one of Collins' closest allies, Republican Rep. Mike Fasano.

Eight days after Collins led the commission's charge to help Oliva, Oliva's wife gave Collins a \$250 campaign contribution. Oliva

Please see **BUILDING** Page 6



County Commissioner Ed Collins, left, and Rep. Mike Fasano, center, are friends and longtime political opponents of Dr. Marcelino Oliva, yet Collins and Commissioner Pat Mulieri supported purchasing Oliva's building after Oliva's family made donations.

Building from Page 1

gave Collins another \$250 contribution before the commission's final vote.

Next came Republican Commissioner Pat Mulieri. She got a \$250 campaign contribution from Oliva's wife. Oliva handed Mulieri the check as she toured his building before deciding how to vote.

Mulieri and Collins, the only two commissioners up for election this year, had never before received contributions from Oliva's family. Both said their votes had nothing to do with the contributions.

And Oliva said he did nothing wrong.

"There's nothing illegal, unethical or immoral about political contributions," Oliva said. "My philosophy has been to help those who help you."

Local politicians weren't the only ones to help Oliva. A Tallahassee lobbyist, Oliva runs a medical political action committee that has donated thousands of dollars to dozens of statewide candidates. He used his connections there to help win \$150,000 in state funding.

But now that the *Times* has raised questions about the deal, one of Oliva's new local allies — Collins — appears to be backing away from him, and Oliva's old political enemy — Fasano — is vowing to undo the state funding that helped make the purchase possible.

"If the tax appraisal is drastically less than the purchase price, I will not support it," Fasano said. "It's not too late. I'm going to try to stop that from happening."

Potential buyer uneasy

Ron Melancon, the director of Health Resource Alliance, knows how all this must look. Health Resource Alliance, which runs dental, women's health and general family medical clinics for East Pasco's poor, is the group looking to buy Oliva's building.

"This whole business of who likes whom, and who gave money to whom and whose building it is makes it really difficult," Melancon said. "By association, it looks like we got in behind the scenes to try to maneuver this."

The purchase of Oliva's building will allow Health Resource Alliance to consolidate two of its clinics into one centrally located build-

ing in Dade City. It will not allow the group to serve more poor patients. It may save the group a little bit of money each year, but Melancon said those numbers are "soft."

Instead, Melancon hopes that the move will make Health Resource Alliance more competitive with the private market. A consultant's report suggested that by locating the clinics in an attractive, accessible office building, the group will attract more paying customers.

In the short run, that would allow the group to offer better pay to doctors and may eventually offset the clinics' dependence on federal funds, Melancon said.

"If all I'm going to do is serve poor people, I don't have to do any of this — they have to come here because they have no place else to go," Melancon said. "But if we want to stay strong in a competitive market, I have to upgrade."

Oliva, who helped found Health Resource Alliance but no longer is a board member, approached the group regarding his office building about five years ago, Melancon said. Oliva's real estate agent approached the group again four or five months ago; Oliva's tenants, a group of doctors, are planning to move into their own building.



Rep. Carl Littlefield squared off against Fasano to win funding for the project.

Fasano opposed the project, and alluded to the bitter campaign between Fasano and Oliva.

"I would certainly hope that (Fasano's opposition to the project) was not just a personal thing, and I don't think it was," Littlefield said. "But I don't know why he had an aversion to that particular property."

Fasano said he simply was looking out for the taxpayers; buying an antiquated, 47-year-old medical building didn't seem to be the

best use of state dollars, Fasano said. But the Senate was pushing the measure, Fasano said, and he acquiesced after the House Speaker assured him that the county would be doing its own assessment of the project.

Fasano said he failed to pass on his concerns about the project to Collins, his close friend on the commission.

The month after the session ended, Fasano received a \$500 campaign donation from Oliva's political action committee. Oliva said Fasano got the contribution simply because he is a member of the Republican leadership.

Each year, the county receives federal grant money to help people in low-income areas. This year, as always, the requests for those dollars far exceeded the available funds.

Still, Melancon was shocked to find that Health Resource Alliance was not on the county staff's list of recommended projects. As he put it, "the merits of the project didn't get me through the first cut."

Melancon decided to take his case directly to commissioners. But he had a problem.

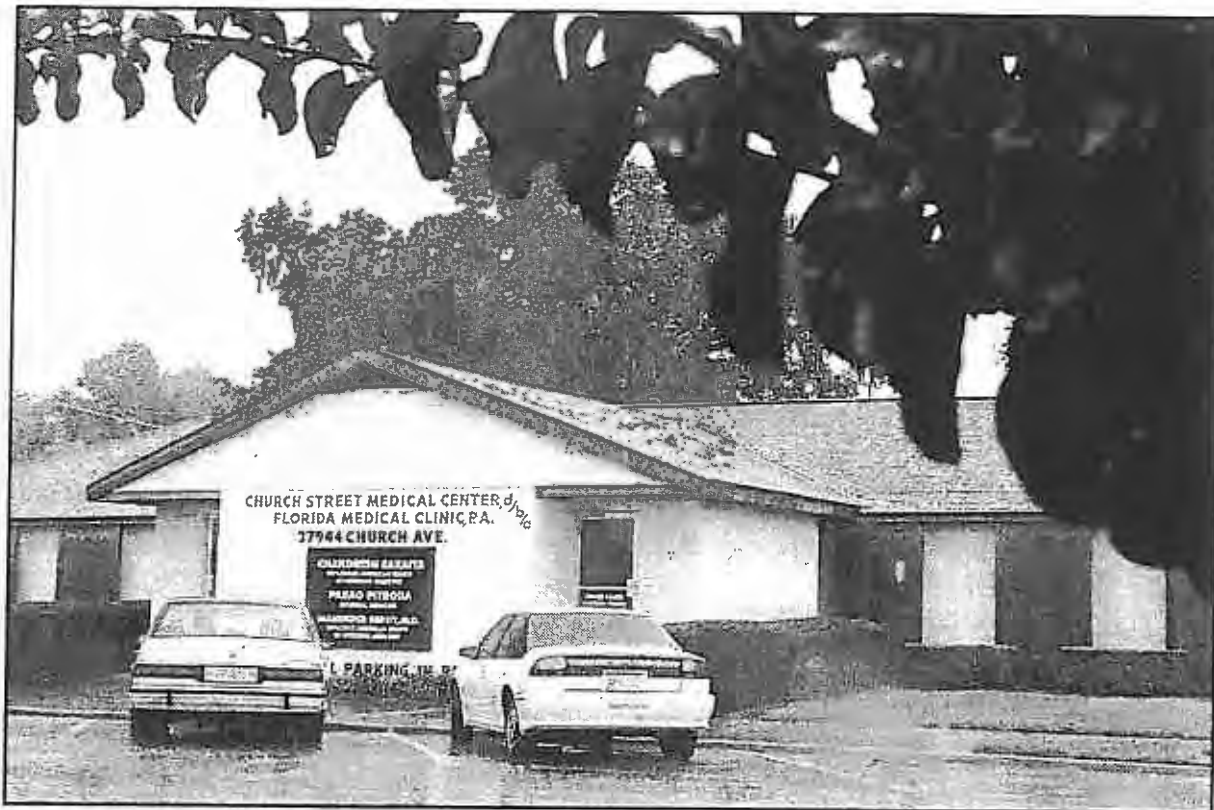
"I couldn't get in to see the County Commission — I had a hard time getting an appointment," Melancon said. "Then Dr. Oliva came by and said, 'Well, I'll go see them.' Looking back, maybe I shouldn't have gotten involved with all that."

In any case, the commission, led by Collins, directed the staff to try to find money for Melancon. Some of the staff's initial concerns — about the non-profit group's solvency, for instance — were alleviated. Money for the group was found by lowering the amount the county had earmarked to improve drainage in Zephyrhills, an area hard-hit by this year's floods.

The commission unanimously approved the move with no discussion. Oliva's name never was mentioned.

But Oliva's asking price continues to trouble Diane Morris, the county's grant director and a member of Health Resource Alliance's board. Health Resource Alliance proposes to pay \$395,000 for the building plus put \$100,000 into renovations.

For the same amount, it's possible that the group could have purchased land and constructed a new, inexpensive modular building, Melancon conceded.



Times photo — TONI L. SANDYS

This building, owned by prominent Democrat Dr. Marcelino Oliva, is being purchased — for \$103,000 more than the county's appraisal — with taxpayer funds by a non-profit group Oliva helped found.

"We're going to get an independent appraisal before we close," Morris said. "If we see that it is way out of line, then we can stop and question it."

The problem is that the county property tax appraiser has the building assessed at \$222,700. County appraisals are supposed to be at 85 percent of market value, and the state allows the county an additional 10 percent margin of error. Conservatively, then, Oliva's building could be worth \$291,110, using the property appraiser's assessment as a base.

By that calculation, Health Resource Alliance, using mostly taxpayers' money, would be overpaying by more than a third.

Property Appraiser Mike Wells said his appraisal, which was done in January, is "on the money."

"My opinion is this: That building is nearly a half-century old. There's practically no market for medical building sales in east Pasco County. We're where we ought to be," Wells said.

Still, Wells cautioned that he can point to sales all over Pasco County where the price paid exceeded his appraisal. It depends on the motivation of the buyer, he said. And that's particularly true when government is concerned.

"When government comes in and buys something, the market is not the prevailing factor," Wells said.

Talk about the building's worth makes Oliva angry. The county shouldn't concern itself with the price, he said.

"The county ain't buying a g— thing," Oliva said. "The only thing the county is out is a \$150,000 federal grant."

Oliva points to a private "fee" appraisal he commissioned in 1996. That shows that the property is worth \$495,000. Oliva acknowledged, however, that at that sales price, the building went without an offer for a year.

Randy Miller, a consultant for the Florida Association of Property Appraisers and a former executive director of the state Department of Revenue, said there should not be such a big discrepancy between Oliva's and Wells' appraisals.

"The two appraisals ought to be within 25 percent of each other," he said. "But remember, the (private) fee appraiser is appraising for the property owner. And the property appraiser is appraising for the people. It's harder for the property appraiser to stretch the numbers. That's what got us into all the trouble with the S&Ls."

Melancon, however, instinctively trusts Oliva's appraisal because homes he has owned have sold at higher than the county's assessed value. Besides, he said, he looked at several other properties, and Oliva's was the most economical.

Could the price be lower? Perhaps, Melancon said.

"I'm a bad shopper — if I see something I like, and it looks like a fair price, I buy it," he said. "I have a hard time backing people into the corner . . . social workers aren't trained to do that."

Commissioner Mulieri was of a like mind.

"Maybe it could have been done cheaper," Mulieri said. "But there are medical needs, and if people that need medical care are being served, then I feel we did our job."

But Commissioner Collins said the matter bears looking into. He blamed the staff for failing to fully inform the commission prior to the vote.

"These facts should have been brought to our attention," Collins said. "I'm not for paying more for a building than its worth."

FRIDAY ■ AUGUST 28, 1998

Candidate claims child as dependent

■ County Commission candidate Scott Bryant gave contradicting stories this week about his relationship to a boy in Michigan.

By JO BECKER
Times Staff Writer

When County Commission candidate Scott Bryant was served with court papers ordering him to pay child support several years ago, he took a blood test that proved the child wasn't his.

But Bryant acknowledged Thursday that in January of this year he claimed the child as a dependent on paperwork that got him a military disability pension.

That increased the annual amount of government money Bryant is eligible to receive from \$8,665 to \$11,349, according

to the Department of Veterans Affairs.

"He may not be mine biologically . . . but I still love him. He's my son — I have accepted responsibility for him," said Bryant, a 28-year-old Democrat and a gulf war veteran. "I don't have a problem claiming him as a dependent."

The story of Bryant's relationship with a 9-year-old boy from Michigan he continues to call his son is a complex one. It is made more so by the fact that Bryant this week gave varying and contradicting accounts of that relationship, which up to now he had not disclosed.



By claiming the child, County Commission candidate Scott Bryant increased his military pension from \$8,665 to \$11,349.

But one thing is clear. According to the Department of Veterans Affairs, the rules on claiming a child as a dependent are simple: The veteran must either be a child's natural father or stepfather.

Moreover, if the child's mother has custody, the veteran must "contribute something toward the child's support," said Laurie Tranter, spokeswoman for the Department of Veteran Affairs.

Bryant said he does just that. And he said he visits the boy at least once a year.

"You're a real low-life . . ." he said, "if you are not contributing to your children

and you are claiming them as dependents."

But the child's mother, Tina Mahoney of Battle Creek, Mich., said she hasn't received any child support from Bryant since he left the military six years ago. She said Bryant only visited her son once, about a year after he was born. And she said she had no idea Bryant is claiming her son as a dependent.

The last time she heard from Bryant, she said, was this week. She said Bryant called to warn her that a *Times* reporter

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Dependent

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might track her down and asked her not to talk about their relationship.

Mahoney, who works nights in data entry, said she plans to file a complaint against Bryant with the Department of Veterans Affairs.

"I'm sitting here struggling from check to check and he's collecting something he's not entitled to on my child — I can't believe this," Mahoney said. "I always knew you could believe only half of what he said. He'll make a perfect politician."

Tranter of the Department of Veterans Affairs said, "It would be impossible for us to make a comment on possibly improper payments without further investigation by our agency."

■ ■ ■

To judge from a candidate questionnaire Scott Bryant filled out when he ran for New Port Richey City Council in 1997, his family tree is not particularly complicated.

Asked whether he had married or had children, Bryant wrote "N/A" — as in not applicable. He was elected to office and served a half term before quitting to run for County Commission.

But Bryant's military records contain some additional information. The records state that Bryant, who faces a primary election on Tuesday in the race for County Commissioner Ed Collins' seat, is divorced and has a 9-year-old son named Justin Mahoney.

Asked about the records Thursday, Bryant told the following story:

First, he denied that he was divorced. Then he said his marriage had been annulled. Then he said he mistakenly thought that the term "dissolved" in his divorce paperwork meant that the mar-

riage had been annulled.

Bryant then said he married Justin's mother, Tina Mahoney, in 1989. Bryant met Mahoney, who also served in the Army, during Army training in South Carolina in 1988. He said he found out she was pregnant after she had shipped out to Korea.

"I took a 30-day leave just before I went to the gulf," he said. "That's when we got married. It was 'do the right thing.'"

Bryant said he voluntarily sends Mahoney \$150 a month in child support. When he was asked to prove that he sends the boy support by producing canceled checks, he said he couldn't do that.

"The checks I give her would be subtracted from her food stamps, so I send her cash," Bryant said. "I'm not going to take the chance that she'd lose the food stamps — that's how she takes care of those kids."

But that's not true, Mahoney said, nor is much else about Bryant's story.

For one thing, Mahoney said, Bryant never married her. He married someone else after she turned him down. He did, however, claim Justin as his son. But she said he stopped sending her child support when he got out of the military in 1992.

"The Army had given him extra pay for a dependent, so the money he gave me never came out of his pocket," she said. "He called me before he got out and said he was going to go to school full time and couldn't pay me anymore."

Mahoney said at that time, both she and Bryant believed Justin was Bryant's son. Later, when the court wanted Bryant to pay child support, Bryant took a blood test and they found out that the child wasn't his after all.

Mahoney said she has not yet taken Bryant's name off her son's birth certificate, which she said could explain how Bryant was able

to claim Justin as a dependent.

■ ■ ■

Asked about Mahoney's version of events Thursday, Bryant changed some, but not all, of his story.

Bryant admitted that he never married Mahoney and that he had, in fact, married someone else — a woman he met while he was stationed in Germany. He said they married after Mahoney turned down his marriage proposal and the couple divorced less than a year later.

Asked why he didn't tell the truth about his and Mahoney's relationship, he said it was because she had broken his heart and "I was trying to get the issue to die so you wouldn't dig into it."

Bryant also acknowledged that he had found out in 1995 that the boy was not his.

But he insisted that Mahoney was not telling the truth when she said he hasn't paid her child support since he left the military. Bryant, who has attended college using the GI Bill and federal loans, said that at times he has used his student tuition money from the federal government to make payments.

But there were times, he said, that his own financial situation was so precarious that he could not make child support payments. With the exception of a half-term on the New Port Richey City Council, Bryant, who claims gulf war syndrome has given him severe migraines and back pain, hasn't worked in five years.

Still, Bryant at first denied that he had ever been involved in a court case involving child support, as Mahoney had said.

"I wasn't aware of that," he said. "Maybe it never caught up to me."

But later, during the same interview, he said:

"The state was trying to force me to pay," he said. "I got a knock on the door. I got served with

papers for child support. I was completely broke. I had nothing. I saw a lawyer and he said, 'Get a blood test.'"

Even after he learned that Justin was not his son, Bryant said, he continued to send Mahoney money whenever he could. And he said he has been sending Mahoney regular monthly payments — in cash — since January.

That's the month that Bryant said he began to receive monthly disability pension checks. The pension he receives is designed to ensure that veterans with disabilities unrelated to their time in the service don't fall below the poverty level.

Because Bryant doesn't work at all, he receives top dollar. The extra money he receives for his son goes straight to Mahoney, he said.

He said that because he has taken responsibility for Justin, "the situation entitles me to claim him as a dependent. No one forced me to put my name on his birth certificate."

Bryant promised to write the Department of Veteran Affairs a letter to explain the whole situation. "If they choose to cut that part of the pension, I'll leave that in their capable hands."

But, he added, the whole issue has nothing to do with the upcoming primary election, in which Bryant faces Democrat Steve Simon.

"It's not even a character issue," he said. "It's just another attempt by your paper to screw the voters. I am the best candidate."

— Times researcher Jerry Nagel contributed to this report.

— Staff writer Jo Becker covers Pasco County government. She can be reached in west Pasco at 869-6244 or (800) 333-7505, ext. 6244. Her e-mail address is becker@sptimes.com.

Details on Collins' consulting dollars conflict



Ed Collins says he stands by his financial disclosure reporting consulting business income of \$2,509 last year.

■ The commissioner's reported earnings from his one-man business are far lower than figures cited by a former client.

By JO BECKER
Times Staff Writer

His duties as county commissioner, Ed Collins said recently, prevent him from putting too much effort into his consulting business. In a sworn statement, he said his outside job earned him just \$2,509 last year.

"There isn't enough time to do a lot of outside work," Collins said.

But a former executive with a school construction company that hired Collins told the *Times* that Collins "did a lot of work for us" — and the company paid Collins about \$20,000 last

year. That's eight times what the commissioner claimed to have made from all his clients combined on his sworn 1997 financial disclosure form.

A candidate's failure to accurately report income and debt can result in punishment ranging from a fine to impeachment and can even be criminal, as a Pinellas County judge who was successfully prosecuted on perjury and official misconduct charges found out last year.

Collins, who faces Democrat Steve Simon in next month's election, said his client is mistaken about the amount of money he was paid. But he

declined to give the *Times* a copy of his 1997 income tax return, saying he has done nothing wrong.

"What difference does it make how much money I make?" Collins said. "I stand by the financial disclosure."

The school construction company is one of at least three clients that Collins' one-man consulting firm introduced to government officials or people who regularly do business with the county government.

While there is nothing illegal about such conduct, the very idea that a county commission-

er has a sideline business like Collins' rankles some observers.

"If that kind of activity isn't illegal, it should be," said M.J. Williamson of the Florida Consumer Action Network. "The message you are sending is, if you help my business be successful, I'll certainly remember that the next time you come before the commission for a rezoning. And that acts against the interest of the community."

'I owe Ed that'

As vice chairman of one of the region's largest commercial development firms, Brent

Consulting

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Sembler has a desk littered with dozens of unreturned messages from contractors and architects who want to do business with him.

But when Collins asked Sembler earlier this year to meet with a school construction company that had hired Collins to drum up business, Sembler agreed immediately.

"Without Ed Collins, I probably never would have seen his clients," said Sembler, who handles this region for the Sembler Co. "But when Ed Collins, who has done lots of things for me as a county commissioner, calls and says, 'Brent, I've got a client that I think you'll like,' I put them on my calendar — I owe Ed that."

Sembler's father, Mel, is a national Republican fund-raiser and was the U.S. ambassador to Australia during the Bush administration. Members of the Sembler family and one of the company's executives contributed a total of \$500 to Collins' campaign.

Brent Sembler, who said he regularly deals with county staff people on the shopping plazas he develops, didn't hire the school construction company, G.H. Johnson. And he said he felt no overt pressure from Collins to do so. While Sembler has never had another county commissioner approach him on such business, he said it is not unusual in the industry.

"What Ed does for these guys is he is a business guy — all they do is go places, go golfing, and get people in the door," Sembler said. "Does it help his clients that he is a county commissioner? Probably."

Peter Gottschalk is an architect and a local activist who works with Collins on water issues. Gottschalk said that Collins handed him G.H. Johnson's business card on two occasions: once at Gottschalk's office and another time at a political function during which water issues were discussed.

The card read:

ED COLLINS

Project Director

"I thought it was inappropriate that he would actually be on their payroll," Gottschalk said. "It's important to make the distinction be-

tween helping a company that you believe in, knowing that you have some influence, and going on their payroll. That's a direct sort of power-brokering situation, which is what troubles me."

Collins acknowledged that "perhaps" his clients hired him in part because of his office. But he said there is nothing improper about his business dealings.

He even went to the trouble of getting the county attorney to issue a legal opinion about whether his work represented a conflict of interest. It did not, the county attorney ruled, because G.H. Johnson does not do business with and is not regulated by the county government.

"I do some work for these people — there's no pressure, no improprieties," Collins said. "County commissioners are a part-time job by Florida statute."

Still, Collins added, his county commission job makes him "quite a busy guy, and I don't have much time to do much" outside work.

Details on hiring differ

Collins' clients said he works hard, gets a lot done and is well worth his pay.

Beshara Harb, the G.H. Johnson executive whom the company said hired Collins, said Collins attended weekly meetings and arranged and attended numerous sales presentations.

"Oh, yeah — he did a lot of work for us. I know," said Harb, the firm's former vice president. "I used to see him quite a bit in the office."

Harb is a Collins fan. His new company, along with G.H. Johnson and people with ties to that company's former executives, donated a total of \$2,000 to Collins' election campaign.

But Harb's explanation of why and how Collins was hired — and how much he was paid — differs from the county commissioner's.

Collins, a former trucking industry manager with no prior experience in construction, said the company's "goal in hiring me was to get some direction in things they were doing in house" and "also to help them with their marketing efforts."

At first he said he met the company at a trade show. Asked which one, he identified a meeting of the Florida Association of Counties, which he attended at taxpayer expense.

But Harb said he has never attended a Florida Association of Counties meeting and that he met Collins through Pasco businessman Sam Hachem. He said he hired Collins to help "get our foot in the door with private companies that were doing a lot of construction in the area." Harb said.

Asked about the discrepancies between his version of events and Harb's, Collins said Harb was mistaken. "I don't know where Beshara is coming from," Collins said. He said the company's president, Reza Yazdani, hired him and that most of his interactions were with Yazdani.

Yazdani said he barely worked with Collins.

"I wasn't much involved with him," Yazdani said. "If my people were using Mr. Collins, I don't know what it was for."

Yazdani said that the company's payroll records were in storage and not available because of recent changes in the company's corporate structure.

Yazdani said Harb hired Collins and referred all questions to him.

Harb said he hired Collins in the first part of 1997. That was a year in which Collins was pushing a school impact fee, a fee on new construction. Such a fee could have potentially benefited businesses such as G.H. Johnson by making more money available for school construction.

After checking with the company's former comptroller, Harb said Collins was paid \$2,000 a month. He said Collins came on board in the beginning of the year and was still working for the company

when Harb left in November. He said his best estimate is that Collins worked for 10 months at the company. Pushed, Harb said those figures were definitely "in the ballpark."

"I know it was within that range," Harb said. "We were tickled to death as far as the cost of doing the work with him versus other consultants."

"He did a great job"

And Collins delivered.

Not only did Collins set up the meeting with Sembler earlier this year, but he also attended a meeting with Yazdani in the office of Pasco County School Superintendent John Long in June 1997.

Long said he was worried about the company's financial situation. That year, G.H. Johnson defaulted on two elementary school projects in Duval County. It faced 10 lawsuits charging that the company had failed to pay debts incurred while building schools throughout Florida.

Collins said he did not know about the company's fiscal woes.

Toward the end of the meeting, Long said, Collins brought up another company that was loosely affiliated with G.H. Johnson called Infrared Thermal Imaging.

The company, which also had hired Collins as a consultant, specializes in a high-tech way to identify roof leaks. Shortly after that meeting, the district decided to pay the company \$5,000 for work at two schools, Long said.

Collins also set up a meeting

for Infrared Thermal Imaging at Pasco-Hernando Community College. Though it is not his usual practice to do so, college president Bob Judson personally attended the presentation.

Setting up such meetings was just one of the things Collins did for his company, said Infrared Thermal Imaging president Michael Knettle. Knettle said Collins also helped him sort out trucking and crew schedules. The company has three crews.

Collins did not report any income from his consulting work for Infrared Thermal Imaging. Knettle said that's because he never has paid Collins for his services.

"He said, 'I'll help you. If you make any money, we'll settle up then,'" Knettle said.

Closer to home, Collins also was hired by Pasco lawyer Dale Bernstein, another campaign contributor. Bernstein is an up-and-coming Republican who considered running for a state House seat this year. Bernstein would not say what he paid Collins, but he said he hired Collins to talk to "Realtors and lawyers" about his title company. "He did a great job," Bernstein said.

One of the law firms Collins approached was that of Ben Harrill and Jerry Figurski, two top real estate lawyers who regularly represent clients seeking rezonings before the county commission.

Like the other business and government people Collins approached, Figurski said he felt under no pressure to hire Bernstein's company and, in fact, didn't.

Housing project's backers raise flags

■ County commissioners will vote today on whether to choose a project that will cost more, serve fewer people and require rezoning.

By JO BECKER
Times Staff Writer

When the Pasco County Housing Finance Authority had to pick between two low- to moderate-income housing projects, chairman Bill McGavern said he didn't think it was a matter of "who is better than who."

"I could go either way and be comfortable doing so," McGavern said.

The authority wound up backing the project that cost more money per unit to build, had higher rents, served fewer people and required that county commissioners sign off on a contentious rezoning that has state transportation officials alarmed.

Why? According to the majority of the five-

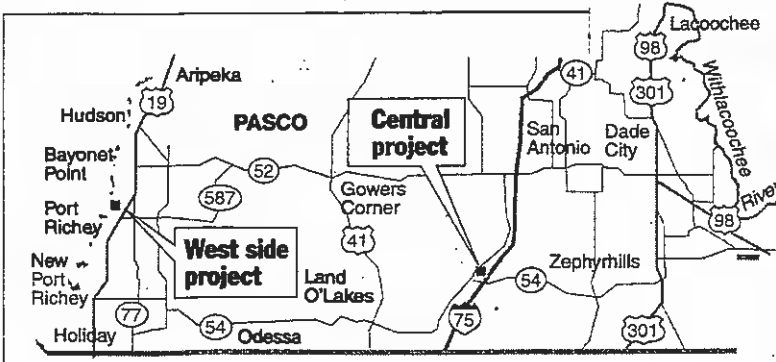
member authority, there is a greater need for affordable housing in fast-growing central Pasco, where the winning project will be located, than there is on the west side of the county, where the other project was proposed.

The authority made that decision without any formal ranking process or the benefit of a market study. In fact, a government apartment survey showed that apartments that are set aside for people with low to moderate incomes are full in both areas, while census data shows that the west-side project may have the edge in terms of need. County commissioners will be asked today to sign off on both the authority's recommendation and the rezoning.

The project that won does have one thing that the other does not: an extraordinary web of politically-connected people pushing it. That web includes:

■ Tommy Tompkins, a developer and local political campaign contributor who designed the

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A comparison of two projects

The Pasco Housing Finance Authority had to choose between two apartment projects, one in central Pasco and one in west, to serve people of low/moderate incomes. It chose the central project. Tom Tompkins, a controversial former board member of the state housing agency and a local political contributor, has a financial stake in the central project.

WEST	Development	CENTRAL
Gulfview Club Apartments		Pasco Woods Apartments
240	Units	200
Yes	Zoning in place?	No
\$490, 2-bedroom \$571, 3-bedroom	Rents*	\$508, 2-bedroom \$592, 3-bedroom
\$72,431	Cost per unit:	\$78,136

* The west side project would also have 1 and 4 bedroom apartments

Project

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state criteria for judging government loans needed to make the project work. Those criteria heavily favor Pasco and Hillsborough counties. Tompkins is pushing affordable housing projects in both places.

■ Former county lobbyist and political fund-raiser H. Clyde Hobby, a lawyer who has helped elect two sitting county commissioners. Among several other controversial deals pushed by Hobby was the county's unique purchase of the road along which the project will be built.

■ A planning commissioner, Jim Bingham, who is business partners with a landowner who stands to make money from the deal. That relationship was not disclosed in public but was discussed prior to a planning commission meeting — a discussion which one expert says may have violated Florida's Government in the Sunshine law.

History of conflict

The man behind the winning 200-unit Pasco Woods Apartments complex is Tommy Tompkins of Kissimmee, who last year won bond financing for another project in New Port Richey.

Tompkins, 51, was once one of Florida's major homebuilders. He served on the board of the Florida Housing Finance Corp., an agency that awards millions of dollars a year in financing to developers of low-income housing projects, from 1988 to 1996. Gov. Lawton Chiles declined to reappoint him amid conflict of interest questions: In at least a few cases during Tompkins' tenure, agency money was awarded to people who were investors in Tompkins' projects.

Pasco County's backing could net Pasco Woods Apartments \$9-million in low-interest bond financing, and the developer stands to make as much as \$2.6-million.

But the project also needs a \$2-million low-interest government loan from the Florida Housing Finance Corp. Though he was no longer a board member, this year Tompkins sat on the committee that designed the criteria for judging such loan applications.

Tompkins' committee recommended, and in August the corporation's board passed, scoring rules which heavily favor projects in Pasco County and Hillsborough County, where Tompkins also recently won approval for a similar affordable housing project.

Florida Housing Finance Corp. attorney Tom Lang said the rules were designed by staff not to favor Tompkins, but rather to favor counties that will not be as eligible for another form of agency funding.

But Tompkins' involvement on the committee has vexed fellow developers because he is the only non-board member to serve. Initially, Lang said that "to the extent that an individual participates in setting policy for the application process, that individual could not then participate as an applicant," according to agency minutes.

Lang later ruled that it did not represent a conflict of interest. Lang, in his role as a private attorney, stands to make a hefty fee

from the Pasco Woods Apartments project. He is the underwriter's attorney.

Florida Housing Finance Corp. board member Victoria Hernandez, who is also a committee member, said it was her understanding that Tompkins would not be asking for agency money this coming year.

"I just don't think that's right," Hernandez said.

Tompkins said he is not the developer of Pasco Woods, though he is listed as such in Pasco County records and by the county's community development director. Tompkins did say he had a financial stake in the project but refused to be more specific.

"Deal killer"

At the local level, the Pasco County Housing Finance Authority had never before been faced with choosing between two projects.

So when Tompkins and CED Capital Holdings Companies Ltd. both submitted proposals in October, Pasco had no scoring process in place by which to rank the two projects, as is the case in many other counties.

Nor does the state's bond agency rank the projects. A certain amount of housing bonds is allocated each year to a 6-county region which includes Pasco. Counties submit the names of projects they want to back, and the state draws names until the allocation is spent.

Both Pasco projects were primarily aimed at serving families. Both offered amenities such as playgrounds and weight rooms. Both provided services such as day care, and the Tompkins-backed project offered a program in which a portion of a tenant's rent would be set aside for a future down payment on a home.

But the two projects also had a number of other significant differences — differences Tompkins said he could not comment on because he had not reviewed CED's proposal in detail.

CED proposed building 240 apartments for \$17.4-million next to the Gulf View Square Mall in west Pasco County. The Tompkins-backed Pasco Woods project proposed building 200 apartments for \$15.6-million.

Both the state Housing Finance Corp. and neighboring Hillsborough County rank projects by using established criteria, including building cost per unit. CED's cost per unit was \$72,431, while Pasco Woods' was \$78,136. The two proposals given to the authority also showed that rents would be slightly lower at CED's Gulfview Club Apartments.

CED submitted a formal market study to demonstrate the area's need for such housing. In a separate survey, CED showed that of Gulf View Square Mall's 1,000 employees, most would qualify to live in the proposed Gulfview Club Apartments. Tompkins did not submit a formal market study for Pasco Woods Apartments.

CED submitted precise architectural drawings to show the public what its complex would look like. Tompkins submitted architectural drawings, too, but the architect wrote the county to say that Tompkins had never hired him to do the drawings. In fact, the archi-

tect wrote, he worked for CED.

In addition, the Tompkins-backed Pasco Woods project needed a rezoning, while CED's project did not.

Pasco Woods Apartments will be along Oakley Boulevard in Wesley Chapel. The authority members knew that the Department of Transportation has long been concerned about traffic on Oakley Boulevard. The Pasco Woods project would add up to 400 cars a day to an intersection that has already reached an "unacceptable" level of service, according to a 1996 traffic study.

But those concerns were not considered. That's because such issues, said McGavern, the authority's chairman, "don't come within our purview."

That is not the case in Hillsborough County, however. There, the need to get property rezoned is "a deal killer," said housing official Kevin McConnell. That's because once the funds are allocated, the developer has only a matter of months to get all the necessary permits or the deal will fall through.

"We're going to fund a project that we don't even know can be built there?" McConnell said. "Come on! It's a competitive world here, and there are lots of deals out there. Don't waste my time."

Rather than focus on costs or the need for rezoning, the authority instead made its decision based on two key factors.

First, several board members expressed concern that CED's proposal envisioned three-story buildings with no elevators, which could pose an inconvenience for families

with young children.

The second factor was location. Fast-growing Wesley Chapel, where the Tompkins-backed project would be located, has only one other affordable housing project. The area had a greater need for affordable housing than did west Pasco, where the CED project would be located and the county had funded other affordable housing projects.

But a government apartment survey shows that apartments that are set aside for people with low to moderate incomes — people such as teachers and firefighters — are full on both sides of the county.

And census information shows that the market on the west side of the county for such housing is demonstrably greater: In the area surrounding CED's project, 51 percent of the population have incomes that would qualify them to live in CED's Gulfview Club Apartments. In the area surrounding the Tompkins-backed Pasco Woods Apartments, an average of 34 percent of the population have low to moderate incomes.

The authority, however, did not consider such data. On a 3-2 vote, it rejected CED's proposal, then backed the project in which Tompkins had a stake.

Douglas Martin, one of the authority members to vote against CED's project, said it was a "close call." He said that just because other counties take such things as building costs and zoning into consideration doesn't mean they do things better.

"My vote was based on my understanding and viewpoint of both projects," he said. "I was aware of the traffic issues, but if

that was going to be a problem that would be addressed by the planning and zoning commission and the Board of County Commissioners."

Roads and relationships

County commissioners will take up the issue today at their meeting in Dade City. Commissioners can either approve or reject the housing authority's decision to back the Pasco Woods Apartments project. They can also either approve or reject the planning commission's recommendation.

The Wesley Chapel project — and millions of dollars in development fees — hang in the balance. But when it comes to getting controversial deals approved by the County Commission, Tompkins is linked to men with a track record of success.

Pasco Woods Apartments plans to pay \$1-million for property on Oakley Boulevard owned by Oakley Groves Inc., which has applied for the rezoning. Oakley Groves is represented by the law firm of H. Clyde Hobby, the county's former water lobbyist and lawyer. Hobby, who is a major political fund-raiser in the county, did not return phone calls from the *Times*.

Both people with links to Hobby and people associated with Oakley Groves Inc. contributed heavily to the campaigns of county commissioners Sylvia Young and David "Hap" Clark, as well as to former Commissioner Ed Collins, who was defeated last month. (Tompkins and others associated with him also contributed to Collins' campaign.)

In 1996, Hobby was instrumental in persuading the county to do a one-of-a-kind deal to pay Thomas Oakley and partners \$450,000 for Oakley Boulevard, a private, poorly-maintained road that intersects State Road 54 just west of the

Interstate 75 interchange.

The deal allowed the dead-end road to open to through traffic and increased the value of the land along the road, much of which is owned by Oakley Groves Inc. But the deal worried Department of Transportation officials because it brought more traffic to the intersection of SR 54 and Oakley Boulevard — an intersection that has no traffic light, is located just 800 feet from the exit and entrance ramps to Interstate 75, and had already reached an unacceptable level of service.

Earlier this month, news of Tompkins' proposed housing development caused transportation officials to urge the county to hold off on the rezoning until a traffic study could be done.

"It is critical that the SR 54-Oakley Boulevard intersection operate an acceptable level of service before additional development takes place there," wrote Judith Smith, a DOT access management specialist.

But since that letter, Hobby has convinced the DOT to back down from that position. According to another DOT access manager, Al Gilbranson, Hobby called and asked the DOT to support the rezoning with the condition that the traffic study be done before site plan review.

That's the language that the planning commission wound up adopting last week in a 9-1 vote. Though the developer still must show that DOT's concerns are being addressed, the new language buys Tompkins time, and, if normal procedures are followed, leaves the final decision in the hands of the Development Review Committee, a less-scrutinized forum in which county staff makes the final decision and there is no opportunity for public input.

Planning Commissioner Jim Bingham, who was appointed by

Young, vigorously supported that move. Not only is it unfair to make a developer spend money on a traffic study before it is clear whether the property can be rezoned, Bingham argued, but the planning commission is ill-equipped to make decisions about traffic without expert testimony.

"The Development Review Committee can better deal with complex issues like traffic," Bingham said.

Bingham and Oakley are business partners in seven different Florida corporations — a fact Bingham did not disclose in public.

Bingham said later that his partnerships with Oakley had nothing to do with his vote. He said he did ask Planning Commission Chairman Nelson Ryman about whether he should recuse himself from the vote before the meeting started. Ryman told him that he did not have to because he had no financial interest in the project itself.

Florida's Government in the Sunshine law prohibits planning commissioners from discussing matters "on which foreseeable action will be taken." Ryman said he didn't think Bingham's question violated the law: "I don't think the question was one which deprived the public of anything they needed to know."

County Attorney Karla Owens backed Ryman, saying she did not think the two men violated the Sunshine law. But Barbara Petersen, the executive director of the non-profit First Amendment Foundation, disagreed.

"It's a good thing our elected officials don't get to decide what the public needs to know," Petersen said. "A potential conflict of interest is information the public should be privy to, and they should have discussed it in public."