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Highway contracts probe reminder of Blanton years

By **FRANK CAGLE**

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The wheels of justice are grinding exceedingly slow, but well into the second year of Gov. Phil Bredesen's term, the first former member of the Sundquist administration has been found guilty in a federal investigation of state contracts. Meanwhile, a potential scandal is breaking out involving state highway contracts during the Sundquist years.

Gov. Ray Blanton has been the face of public corruption in Tennessee since the scandals of his administration forced him out of office. It led to the early swearing-in of new Gov. Lamar Alexander and brought to prominence a young attorney named Fred Thompson.

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During the Blanton scandal the investigation centered on friends and family members who benefited from Blanton being in office, from the selling of pardons and paroles to a bid-rigging scheme involving state highway contracts. Blanton's brother, a road builder, was convicted.

Joanna Ediger, a former state employee under Gov. Don Sundquist and later a partner in Workforce Strategies, was convicted of mail fraud and wire fraud this week and faces a sentence of between five and 20 years. One presumes she and her attorney will be discussing her help in further prosecutions before a decision is made on what her sentence will be.

A federal grand jury is continuing to look at thousands of e-mails between top officials serving Sundquist and looking at other sole source no-bid contracts. They may soon be asking John Stamps, owner of Workforce Strategies and a friend of Sundquist, to help with their inquiries.

Meanwhile, the Tennessee Department of Transportation has run a computer program that examines highway contracts, and the department came to the conclusion that there was enough suspicious behavior to warrant an investigation by the Tennessee Bureau of Investigation by the state attorney general's office.

The Bredesen administration noticed something wrong the first year in office and did the computer analysis that was completed last November. Prompted by this, Nashville television station WTVF did a computer analysis of its own examining five years of paving contracts. That's the same station that did the series on sole-source contracts that led to the Ediger conviction.

The station discovered that one in six TDOT contracts was awarded with only one bidder on the project. That's \$360 million worth of projects out of \$3.4 billion awarded. They also looked at counties and discovered that one quarter of all county paving contracts receive only one bid.



In Wilson County, where there was more than one bid, a mile of road cost \$22,000 to pave. In Dickson County, with only one bid, it cost \$40,000 per mile. Lewis County, one bid, \$42,000 per mile. It may be that there are other factors involved, like the distance from the asphalt plant or some other reason. The cost of paving also relates to how thick the mix, the quality and other factors. But there is enough there for TDOT to think it warrants an investigation.

There was one curious artifact from the Blanton era that survives today. Before the scandal, the Legislature passed a law in 1976 that no local government can own its own asphalt plant. Not only did the law survive the bid-rigging scandals, it is still on the books. It did have a provision, however, that allowed existing county-owned asphalt plants to stay in business. One of those is in Jefferson County.

A suggestion to the TBI and TDOT and the Legislature's fiscal review committee: Go see the folks at the Jefferson County facility and find out what it costs them to produce a ton of asphalt. Then compare it to what counties and TDOT are being charged for asphalt. That seems like a simple matter, and it might shed some light on how much profit we are paying road builders, especially on one-bid contracts.

You might also look at specifications and see if every county is getting the same quality of asphalt mix. The cost of a mile paved in Jefferson County is as high as anywhere else, for instance. But is that paving thicker and a better-quality asphalt? I certainly don't know.

Meanwhile, we will wait and see if Joanna Ediger wants to be the only former state employee to go to jail or whether she wants to provide testimony.

Federal agents and a federal grand jury have examined records seized from several companies, and one presumes that, with the Ediger conviction, the pace will pick up, and future indictments will be forthcoming.

It does not appear that the sins of the Sundquist years are as widespread or as egregious as the Blanton years, but we won't know that until all the investigations are completed.

Frank Cagle is a political analyst and radio talk show host. His guest on "Sound Off" on Sunday (8-9:30 a.m. on FM107.7 WIVK and AM990 WNOX) will be Danni Varlan discussing a new low fare airline for Knoxville. You can reach him at frank@frankcagle.com

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