

Tennessee Infrastructure In The News

November 19, 2008

A daily roundup of recent news stories and opinion pieces about Tennessee transportation, water and flood control infrastructure

For the full story, click on the link below the excerpt.

Bredesen: Won't Raise Gas Tax (AP)

Gov. Phil Bredesen said he won't seek to increase the state's gas tax as a way to bolster Tennessee's ability to build and repair roads. The state's road fund is struggling because people have been driving less amid high gas prices and a worsening economy. Bredesen told reporters Tuesday that he's not looking to hike taxes of any kind, including the state's current 21.4-cent tax on each gallon of gas. The governor said in general it's a terrible time to be asking people to pay more taxes, considering national economic conditions. State Transportation Commissioner Gerald Nicely said his department is \$10 million below budget through the first quarter of the budget year, mainly because of decreased vehicle miles traveled in the state.

<http://www.newschannel5.com/global/story.asp?s=9372411&ClientType=Printable>

Bredesen supports bonds for bridge repairs (Nashville Business Journal)

Gov. Phil Bredesen says he'd support the issuing of \$350 million in bonds to repair or replace about 200 structurally deficient bridges in the state and create jobs for Tennesseans. Bredesen made the comments after Tennessee Department of Transportation Commissioner Gerald Nicely suggested the "Garvee" bonds during this morning's transportation budget hearing. Garvee (Grant Anticipation Revenue Vehicles) bonds are generally used to finance critical infrastructure projects in anticipation of forthcoming federal funds that would be used to retire the debt. Bredesen notes the state has always operated on a pay-as-you-go system, and says the bond issuance would be a "one time deal" due to the special circumstances the state faces as a result of declining revenues and a budget shortfall. "I'm looking for every way I can to make it work in this environment," Bredesen says.

<http://nashville.bizjournals.com/nashville/stories/2008/11/17/daily18.html?surround=lfm&brthrs=1>

TDOT to Try Own Stimulus, Take Bonds to Do it (WPLN-Radio Nashville)

The state Department of Transportation may deviate from its historical policy of pay-as-you-go and take out 350-million dollars in bonds to help stimulate the economy. At the governor's budget hearings today, transportation commissioner Gerald Nicely said he wants to issue "garvee" bonds. "Garvee" stands for Grant Anticipation Revenue Vehicle. Commissioner Nicely says he wants to take out bonds against an annual stream of 40-million dollars from the federal government. That money is meant to fund repairs for some 300 bridges in the state. Nicely says the bonds would allow the work to begin now. "We could in effect eliminate about 65 to 70 percent of those structurally deficient bridges in two-and-a-half to three year period. We'd have them either under construction or completed. And yes indeed, it would obviously provide a lot of jobs." Governor Phil Bredesen says he supports the bond proposal and acknowledges the break from policy. <http://wpln.org/newstranscripts/?p=3840>

State considers bonds for bridge repair (WKRN-TV Nashville)

If roads are the lifeblood of a state, Tennessee is in need of a transfusion. The Tennessee Department of Transportation is currently considering a \$268 million project funded by bonds to repair 300 bridges. Should they decide to move forward, the project would be historic for TDOT,

who traditionally pays for road construction and repair with money allocated yearly in its annual \$2 billion budget. "I am looking for anyway I can to make things work in this environment," Governor Phil Bredesen said Tuesday during TDOT's session at his annual budget hearings. For now, TDOT commissioner Gerald Nicely said he sees the bonding as a "one-time event." He said there is a backlog of a \$1 billion worth of construction projects on hold because of the economy. <http://www.wkrn.com/global/story.asp?s=9373312>

Bonds may fund repairs for Tennessee bridges (Tennessean/Emery)

Move could boost state economy though it would be a departure from the long-standing pay-as-you-go system Borrowing money to pay for bridge repairs could provide an economic boon to Tennessee, Gov. Phil Bredesen said on Tuesday, expressing qualified support for what would be a departure from the long-standing pay-as-you-go system of funding infrastructure projects. During administration budget hearings on Tuesday, Bredesen told Transportation Commissioner Gerald Nicely that it was worth studying whether the state should float a type of low-risk bond to pay for \$350 million in bridge repairs. Using the bonds to finance repairs to structurally deficient bridges could also act as a kind of economic stimulus, he said, by employing Tennesseans caught in the throes of a major economic slowdown. "I think Commissioner Nicely was creative about finding one area that makes some sense to do this with, and do double duty: let us repair some bridges, and let us create some jobs in a tough time," Bredesen said. <http://www.tennessean.com/article/20081119/NEWS0201/811190445>

Tenn. governor won't seek raising state gas tax (Associated Press/French)

Gov. Phil Bredesen said Tuesday he won't seek a hike in Tennessee's gas tax as a way to bolster the state's ability to build and repair roads. The state's road fund is struggling because people have been driving less amid high gas prices and a worsening economy, Transportation Department officials said in a budget hearing. Bredesen, a Democrat, told reporters afterward that he's not looking to hike taxes of any kind, including the state's current 21.4-cent tax on each gallon of gas. In general, he said, it's a terrible time to be asking people to pay more taxes, considering national economic conditions. "I have always said since I was running for this office we need to do a fuel tax increase of some sort at some point in time," Bredesen said. "The 21.4 cents that was set in the 1980s is no longer adequate to build the roads we have here. http://hosted.ap.org/dynamic/stories/T/TN_BREDESEN_BUDGET_TNOL-?SITE=TNNAT&SECTION=US&TEMPLATE=DEFAULT

Tennessee Governor Phil Bredesen: No Gas Tax Hike (WJHL-TV Johnson City)

The state's road fund is struggling because people have been driving less amid high gas prices and a worsening economy. Bredesen told reporters Tuesday that he's not looking to hike taxes of any kind, including the state's current 21.4-cent tax on each gallon of gas. The governor said in general it's a terrible time to be asking people to pay more taxes, considering national economic conditions. State Transportation Commissioner Gerald Nicely says his department is \$10 million below budget through the first quarter of the budget year, mainly because of decreased vehicle miles traveled in the state. http://www.tricitie.com/tri/news/local/article/tennessee_governor_phil_bredesen_no_gas_tax_hike/16522/

Mississippi River toll bridge may be feasible, study says (Comm. Appeal/Locker)

TDOT to report to legislature in February Preliminary results from a study by Tennessee transportation officials indicate that the financial feasibility of a new Mississippi River toll bridge at Memphis "is a very close call." The study by the Tennessee Department of Transportation won't be finished until February, when it will be turned over to the state legislature, which must approve

and fund all projects before TDOT proceeds with construction. A new Memphis bridge is one of four highway and bridge projects that TDOT is studying for what would be the state's first toll projects in decades. Two other projects in the study, one near Knoxville and the other outside Nashville, have already been nixed by TDOT because of local opposition. The fourth project under study for user-toll financing is a new Tennessee River bridge north of Chattanooga.

<http://www.commercialappeal.com/news/2008/nov/18/toll-bridge-across-mississippi-might-be-feasible/>

Funding Shortage Could Delay Road Projects (WSMV-TV Nashville)

Governor Says He Won't Increase Gas Tax There are more state budget hearings on Tuesday and a big topic on the agenda is transportation and funding road projects. There are currently 600 vacancies in the Tennessee Department of Transportation, which is double the normal average. TDOT receives money from the state gas tax to help build roads, but for the first time, fewer people drove in Tennessee this year compared to last year. While gas prices spiked in August and September, the number of miles being driven on the road dropped 13 percent in one area of Davidson County. Because of this, TDOT is short \$10 million. Combined with the drop in gas tax revenue, it could mean that projects could be slowed or delayed.

<http://www.wsmv.com/money/18008063/detail.html#->

TDOT Celebrates Smartway Grand Opening In Memphis (Business Wire)

With the press of a button, Tennessee Department of Transportation Commissioner Gerald Nicely launched TDOT SmartWay, the Memphis area's new intelligent transportation system. Controlled from a state-of-the-art transportation management center (TMC), the new system continually monitors 85 miles of interstate and is expected to make highway travel in the region safer and more user-friendly. Anyone can access the traffic camera images by visiting the TDOT SmartWay website. In addition, Memphis television stations now also have access to live feeds from the TDOT SmartWay cameras. <http://www.logisticsonline.com/article.mvc/Tennessee-Department-Of-Transportation-0001?VNETCOOKIE=NO>

Next sewer plant will be expensive (Tennessean)

Zero-discharge design will protect Harpeth River. Franklin's biggest test of how city leaders plan the city's future infrastructure won't be a road or water-improvement project, though aldermen have spent much of their time discussing those in recent months. Instead, the creation of a "zero-discharge" sewer plant that will one day serve thousands of homes and businesses in south Franklin's Goose Creek area is expected to be the largest and most expensive public works project in city history. While no costs have been finalized, the 400-million-gallon sewer plant could ultimately cost in excess of \$80 million, take years to complete and require the cooperation of city and state environmental regulators along the way. When complete, it would be unlike any other plant in the state. <http://www.tennessean.com/apps/pbcs.dll/article?AID=2008811190380>

Franklin sewer plant would be unique in state (Tennessean)

A "zero-discharge" sewer plant that will one day serve thousands of homes and businesses in south Franklin's Goose Creek area is expected to be the largest and most expensive public works project in city history. While no costs have been set, the 400 million-gallon facility could ultimately cost in excess of \$80 million, take years to build and require the cooperation of city and state environmental regulators along the way. When complete, it would be unlike any other plant in the state. That kind of importance has drawn added scrutiny from Mayor John Schroer and city aldermen. <http://www.tennessean.com/apps/pbcs.dll/article?AID=2008811190459>

###