

The Road Ahead

How stimulus funds are helping Tennessee improve its roads

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Hardly anyone refers to the American Recovery and Reinvestment Act of 2009 by its official name. They instead abbreviate it as “ARRA,” or more commonly, call it the “stimulus plan.”

No matter its acronym or moniker, the landmark legislation approved by Congress last year pledged \$787 billion in tax cuts and funding – and promised to spark the U.S. economy.

Of particular interest to Memphis was the \$27.5 billion committed to transportation, the bread-and-butter industry of a city whose assets in air, road, rail and river have helped it become one of the nation’s true “quadramodal” hubs.



A crew from Hill Brothers Construction works on a bridge on the section of Tenn. 385 under construction between Tenn. 57 and Macon Road. Photo: Lance Murphey

The stimulus awarded \$669 million to transportation improvements in Tennessee, and the dollars flowing into the state already have funded such local infrastructure projects as the resurfacing of Interstate 240 with many more upgrades coming.

Also, the bill’s Transportation Investment Generating Economic Recovery (TIGER) program will pump \$52.5 million into [Norfolk Southern Corp.](#)’s Crescent Corridor initiative. That money will help the railroad move forward with its nearby intermodal facility and perhaps generate even more investment in the area.

The projects grow

One local company seeing benefits from the stimulus trickle down is Allen & Hoshall, the locally owned engineering business whose roots date back to 1915.

The Memphis firm has seen – and will soon see even more – a rise in engineering projects from the widening of roads to the redesign of interchanges. But an indirect benefit of the stimulus is helping companies like Allen & Hoshall as well.

Because organizations like the Tennessee Department of Transportation and Memphis Metropolitan Planning Organization have been able to apply stimulus money toward shovel-ready infrastructure projects, it has freed up other funds for road improvements that weren’t targeted through ARRA.

Those include the completion of Tenn. 385, where Allen & Hoshall is performing CEI work, or “construction engineering inspection” services.

“We’re seeing a lot of construction projects that have been on hold for a while that are getting funding and being built,” said [Robert Cochran](#), civil engineer and vice president with Allen & Hoshall. “This is a welcome influx of business.”

TDOT spokeswoman [Julie Oaks](#) wrote in an e-mail that the stimulus has “helped Tennessee move many road projects forward that would not have been funded otherwise.”

For example, she said, 2009 was a record year for TDOT with more than \$1 billion in projects, “of which at least \$450 million was funded through the Recovery Act.”

“That represents about 195 projects that probably would not have moved forward without the Recovery Act dollars,” Oaks added. “The additional funds also had a ripple effect in the state’s entire road construction program.”

Paving the way

Some of the TDOT funds are being funneled through MPO, which has received \$17.7 million for transit programs and \$22 million for highways.

MPO transportation planner [Paul Morris](#) said the most visible improvements around the metropolitan area will be repaving and some signalization projects.

“There are a lot of projects where funding has been delayed and where maintenance has been delayed,” Morris said. “Being able to start moving forward with some repaving projects will be good.”

Cochran said the contracts Allen & Hoshall has garnered helped the firm hire additional employees, both engineers and inspectors, which was one of the bill’s goals.

He also said he hopes projects like completing 385 will spur even more construction activity – giving credence to the term “stimulus” – although sprawl and financing for commercial building remain hurdles.

“Once people start seeing construction, people in the private sector might think it’s all right, that the recession is over and they can start building stuff,” he said. “That’s what we’d really like to see happen, that they look to the public sector and start building.”

Doubts remain

But the stimulus hasn’t won over everyone.

[Clifford Lynch](#), a logistics analyst who owns the consulting firm C. F. Lynch & Associates and also serves as chairman of the Regional Logistics Council’s marketing committee, said he doesn’t think the stimulus is accomplishing much in the way of truly improving infrastructure.

He said it reminds him of Franklin D. Roosevelt’s Works Progress Administration (WPA), which Lynch described in an article titled “Think Grey” as a way to create jobs through “shovel-ready” projects that may or may not be needed.

“The major criticism was that projects were completed that weren’t always needed or wanted,” Lynch wrote. “That is a trap we must not fall into.”

As Lynch noted, there is no national transportation improvement master plan, an oversight that might lead to an emphasis on less important projects as highway capacity struggles to meet increased truck traffic, for example.

In other words, a bridge in some rural area might be funded while a major highway is neglected or pushed back.

“There’s only so much money to go around,” Lynch said. “And I’m sure TDOT has plenty of good uses for it, but is it the highest and best use of the stimulus funds to improve county roads or build bridges on secondary roads when what you really might need is to get I-69 finished?”