

Contractor Says Firm Took Bids

MEMPHIS, Tenn. (AP)

A construction firm owned by Gov. Ray Blanton's family secretly received 22 state road contracts from a Middle Tennessee contractor who won bids on them, a federal prosecutor says.

In a sentencing hearing in U.S. District Court Wednesday for H.H. 'Coach' Stephenson of Fayetteville, Assistant U.S. Attorney Hickman Ewing Jr. said Stephenson told investigators in 1979 he had bid on state road jobs for B&B Construction Co., an Adamsville firm owned by the Blanton family.

Stephenson, 73, once closely associated in business with the Blantons, was accused in Nov. 20 of participating in a bid-rigging scheme on a \$221,000 state road contract in Lincoln County in 1976. He pleaded guilty to the charge the same day.

At the sentencing hearing, Judge Harry Wellford fined Stephenson \$750, placed him on five years' probation and ordered his firm to perform \$15,000 to \$20,000 in free road maintenance and paving work in Fayetteville.

Stevenson could have been sentenced to five years in prison and fined \$1,000. His attorney, Henry Hancock, asked Wellford for probation because of Stephenson's failing health.

"In his present condition, it would be very detrimental to his health if he is incarcerated," Hancock said.

A federal source, quoted by The Commercial Appeal, the city's morning newspaper, said several of the contracts that went to the Blanton firm were the result of bid-rigging.

Stephenson already has told the FBI and a federal grand jury in Nashville about bidding on road contracts for B&B Construction, the newspaper said. Indictments in the case are pending, the source said.

In court, Ewing said the 22 road jobs Stephenson received for B&B totaled about \$66 million. Stephenson bid on the jobs with figures supplied by B&B, he said.

After the bids were awarded, Ewing said, Stephenson handed over the contracts and all state money for the jobs to B&B. Stephenson's firm never received any profits from the B&B work, Ewing said.

The road work on the 22 contracts was in McNairy, Hardin, Chester and Wayne counties, Ewing said.

Stephenson also received five other state road contracts totaling about \$2 million in which his company did the work. However, according to Ewing, all five of those contracts resulted from bid rigging.