

**Bids Due October 31, 2007
for Quemahoning
22-mile Pipeline**



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County seeks bids for pipeline project

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Somerset County will begin seeking bids for the Quemahoning pipeline project today, a day after receiving permission to draw money from a \$5 million PennWorks loan.

PennWorks is a state program designed to ensure safe water supply and proper waste water infrastructure statewide, according to its Web site.

With bids to be awarded sometime in December, a notice to proceed could be issued as early as January.

"It looks like next year we will be constructing," said county commissioners' Chairman James Marker.

The water supply is tied to economic development and job creation, he said.

The Somerset County General Authority was awarded \$9.5 million last year from PennWorks for the massive water project that will regionalize water distribution and supply potable water to several communities. The county plans to run a 22-mile pipeline between the Quemahoning Reservoir and Somerset Borough, feeding treated water to municipalities along the way.

The PennWorks award included a \$5 million loan and a \$4.5 million grant. The \$5 million loan includes a 2 percent interest rate over 20 years.

Contractors have 45 days to put together their bids. The deadline for the bids is Oct. 31, according to Jon Wahl, an engineer for Somerset Planning & Engineer Services who has been with the project since its inception. The next step in the process involves a final review of engineering plans by the project's various financing agencies, he said.

"This is what we have been waiting for," he said.

The project has been more than five years in the making.

In July, commissioners decided to issue a \$10 million bond to secure the last money need for the pipeline project. The bond makes up the difference between \$16.8 million in available grants and loans and the \$24.9 million to \$27 million needed to finance the water project.

Now that the project has gone to bid, the bonds will be closed and the exact amount of money owned and interest rate that will be applied to that loan will be known, according to Marker.

Commissioners have repeatedly said that the loan and grant money, water purchase commitments for more than 1.1 million gallons daily and water sales will pay for the project. A tax increase is not in the works.

"From the phone calls we have received, there is maximum interest in this project," Wahl said.

He expects a large number of contractors participating in the bidding process, making it a "very competitive" process that can only benefit the county.

"It is a project that in five or 10 years, once it is in the ground, people will look at it being the obvious thing to do," Wahl said.

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