Oconee County to jumpstart stalled broadband project

Council agrees by 4-1 vote to re-bid the work

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WALHALLA — Oconee County is not ready to give up cashing in on a $9.6 million federal grant to place broadband trunk line in the ground.

Oconee County Council took a first step toward getting the stalled $14.3 million project back on track Tuesday night by directing County Administrator Scott Moulder to re-bid the work in phases.

The county's decision ends weeks of waiting on the contractor originally selected to do the entire job for $8.2 million.

The work entailed digging up an area of more than 260 miles to place fiber optic in the ground.

Southern Pipeline & Utility never got started on the job because it could not secure 100-percent bonding to guarantee its work.

A contractor sitting in the audience at Tuesday's meeting put it more bluntly.

He said SPU could not borrow the money to put up the bond.

Oconee offered SPU the contract on Feb. 22. Almost three months later, Oconee has been unable to get the broadband project started.

Moulder said he thinks the county still has time to re-bid the project in three phases and get it completed within a three-year window stipulated by the federal grant.

Federal funding on the project would end after August 2013.

"Let's say we only get 210 miles done, you just don't get to finish the remaining part and you don't get the money for the remaining part," Moulder said.

"You just completed two-thirds and that's two-thirds more than what you thought you could had you never done the project at all."

Moulder said he also feels comfortable with a phased approach getting more players in the game and perhaps landing lower bids.

"It commits a third of the project cost at a time rather than the full $10 million," Moulder said. "The county's risk for liability at any given time is no more than what's on the contract in any given phase. We'll actually do three separate bids three different times. You could have multiple contractors for the entire project."

Council voted 4-1 to re-bid with Councilman Wayne McCall opposed.

McCall is wary that the project could run for more than the $14.3 million projected cost and is wary of federal stipulations that could potentially put a burden on taxpayers.

Oconee landed the federal grant on the promise to expand broadband service to unserved and underserved rural areas.

The system also would connect all the county's schools, enhance public safety communications and give the local hospital greater bandwidth capabilities.

A majority on council thinks the network would also would give Oconee a leg up on attracting new business to the area.

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