



News Release

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Southern Delivery System Putting Area Businesses to Work

With the construction of the Southern Delivery System (SDS) underway, some \$56 million in engineering and construction contracts have been awarded to date. The work necessary to build the \$880 million regional water project is providing area contractors, subcontractors and suppliers business at a time when little else is available.

“The interest level in contracting work for the Southern Delivery System so far has been very high, and there still are significant portions of the project to be contracted out,” said Eli Novakovich, Colorado Springs Utilities’ manager of Procurement and Contract Services. “We are one of the few businesses in town outsourcing work to area contractors right now.”

Three prime contractors have been hired for SDS work so far, including contractors for the Pueblo Dam connection, a segment of finished water pipeline work along Marksheffel Road and a segment of raw water pipeline construction in El Paso County.

This work also has created opportunities for subcontractors. For the Pueblo Dam connection, for example, a team of regional contractors were hired. Pueblo-based HCP will install pipe; Colorado Springs Fabrication will produce the stainless-steel tunnel liner; Transit Mix in Pueblo will supply concrete; and Rocky Mountain Crane Service of Colorado Springs will provide large crane services for the project.

The largest single contract on the project, designing and building a water treatment plant in El Paso County, will require dozens of subcontractors, including electricians, plumbers, HVAC professionals, concrete installers, pipe fitters, instrumentation integrators, roofers, landscapers, pavers and rental equipment. Additionally a significant amount of local equipment, tools and other goods will be rented and purchased. At a recent pre-bid information meeting for a design-build contract on the SDS water treatment plant, with about 80 people attended.

“That is a significant number of people to attend a pre-bid information meeting,” said Novakovich. “The high attendance demonstrates significant interest in work related to SDS.” He added the number of businesses represented at the meeting is significantly higher than what

Colorado Springs Utilities normally sees at pre-bid meetings. Proposals for the water treatment plant design-build contract are due March 30, 2011.

A number of companies have been pre-qualified to receive requests of proposals for design and construction of additional segments of the raw water pipeline, and for project instrumentation and control design. Additionally, work has yet to be contracted for three raw water pump stations – one in Pueblo County and two in El Paso County. The design statement of qualifications will be issued in the second quarter of 2011 and the design request for proposals will be issued in the third quarter of 2011. Construction solicitations for the raw water pump stations are estimated to come out in 2013.

Colorado Springs Utilities plans to hold a Business Opportunity Workshop on July 14, 2011 at the Leon Young Service Center, 1521 Hancock Expressway in Colorado Springs. The meeting will give subcontractors the opportunity to meet and network with prime contractors hired for the SDS initial construction work and learn of subcontracting opportunities and how to best prepare proposals to win work on the project.

More information on the workshop and updated contracting information are posted regularly at www.SDSWater.org under Business Opportunities.