South Atlantic Division
Regional Hopper Dredging Contract

FY17 Pilot

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Background

• 2006 – BG Walsh (SAD) signed approval of Regionalization Initiatives

  1. Implementation Plan included “Regionalize Dredging Contracts”

• 2008 – West Coast Districts successfully executes regional contract (7 – projects; 3 – Districts; 2 – Divisions)

• 2013 – SAD Navigation Scoping Meeting for Regional Hopper Contract

• 2013 to 2018 – West Coast executes annual regional contract

• 2017 – Southeast awards Regional Hopper Pilot
Problem

- Corps Districts compete against each other for equipment availability during peak work windows.
- Mobilization is paid to have dredges pass by projects the Corps wants dredged.
- Multiple contracts are being prepared at Districts that have similar scopes of work.
FY 17 Pilot Goals

Streamline Internal Processes
• 1 solicitation vs. 3 – 4 solicitation
• Centralize and standardize routine dredging P&S

Increase Competition
• Regional contract more appealing rather than smaller stand alone contracts

Reduce Mob/Demob Costs
• 1 Mob/Demob shared between 4 projects

COST SAVINGS!
Project Details

• 4 Harbors
  - Savannah – 456 KCY
  - Brunswick – 2.616 MCY
  - Wilmington – 920 KCY
  - Morehead City – 1.25 MCY

• Awarded to Manson Construction – 3 Nov 2017
  - Using all 3 Hoppers

• Award Amount - $26,285,450

• IGE - $24,577,000

• Consistent Contract window 1 Dec – 15 Apr

• Contractor Commenced Work – 30 Dec 17

• SAW CT lead
  - 1 Mod processed to add relocation trawling at Brunswick
Roles and Responsibilities

- P&S Development, Cost Estimating, Contract Award, Coordination – Lead District; Wilmington District

- Contract Admin – Existing District ACO’s/COR’s administer and report to single KO

- Regional Program Oversight – SAD NAV Manager

- District PDTs – similar to existing but reduced numbers
External Coordination Efforts

- Kickoff meeting w/ Industry – Concept Discussion
- Presolicitation Meeting – Discuss refined scope
- Industry review of draft contract
- Stakeholder engagement by Districts/Division
Benefits

Streamline Internal Processes
✓ Regional Consistent Hopper Specs
  ✓ Best Management Practices from region incorporated

Increase Competition
✓ All projects were successfully awarded...the first time

COST SAVINGS!
✓ Savings estimate $8.2M (24.5%)
  ✓ Mob Savings - $1.6M
  ✓ Unit Price Savings - $6.6M
Challenges

• Bidding Environment
  - Multiple Deepenings, Hurricane Matthew Recovery, Remaining Hurricane Sandy, MSCIP

• Funding alignment with Contract
  - Bids lower at Savannah/Brunswick and higher at Wilmington/Morehead
  - Change to HMTF accounting

• Communication across District boundaries

• Perceived loss of control by a District

• Perceived loss of funding by a District
Approved Recommendations

• Continue utilizing regional hopper approach

• Hold annual scoping meeting with the Districts

• Consider multiple smaller regional hopper contracts

• Consider implementing on large pipeline contract(s)

• Develop a regional consolidation D&F for large business contracts

• Open Bids (and award) in 4th quarter of FY vs. 1st quarter of next FY
QUESTIONS