

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 Pilot



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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



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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!



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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



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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



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External Coordination Efforts

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



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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



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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



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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



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QUESTIONS