New York and New Jersey Harbor
One estuary, One port, One vision

AAPA-Corps of Engineers Project Managers Workshop, Portland, OR
October 11-12, 2006
Panel: The New Contracting Environment: Recent Lessons Learned
William F. Slezak, P.E., Chief, Harbor Programs Branch
Overview of Presentation

• Review of schedule and status of the NY/NJ Harbor Deeping Project
• Types of contracts utilized
• Experience with New Continuing Contract Clause
• How NAN is addressing contractor concerns – short-term and long-term
New York & New Jersey Harbor

Interim Deepening Projects:

- **Kill Van Kull & Newark Bay Channels (45 ft)**
  - Cost Sharing Agreement signed - 1999
  - Cost: $300 million (8 dredging contracts)
  - Completed: Nov 2004

- **Arthur Kill Channel (41/40 feet)**
  - Cost Sharing Agreement signed - 2001
  - Cost: $200 million (4 dredging contracts)
  - Scheduled completion (41 ft): Dec 2006

- **Port Jersey Channel (41 feet)**
  - Cost Sharing Agreement signed - 2002
  - Cost: $110 million (3 dredging contracts)
  - Scheduled completion: August 2007

50 Ft Deepening Project:

- Cost Sharing Agreement signed - May 04
- Cost: $1.6 billion (16 contracts)
- Scheduled completion: FY 2013
New York and New Jersey Harbor (50 Foot) Construction Schedule

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KEY:
- Ongoing contracts
- FY '07 Award
- FY '08 Award
- Other

Completed in 2003
• Originally advertised as Continuing Contract utilizing old clause.

• During advertisement, new clause came out and it was included in solicitation as amendment.

• Bid protest received from Great Lakes regarding new clause

• NAN decided to delete continuing contract clause and resolicit as a Base bid plus a series of options that could be exercised as funds became available.

• Solicitation also included an option for up to 60 days of “Stand By Time”, in the event funds were not available (but expected) to award an option.
New York and New Jersey Harbor - Anchorage Channel 1 a

**Dredging quantities (cy) and Bid Amount:**

- **Base bid:** 285 k  
  - **Bid Amount:** $18.9 M
- Optional standby time: 60 days  
  - **Bid Amount:** $.5 M
- **Option 8:** 228 k  
  - **Bid Amount:** $12.5 M
- **Option 9:** 182 k  
  - **Bid Amount:** $5.0 M
- **Option 10:** 169 k  
  - **Bid Amount:** $9.3 M
- **Option 11:** 158 k  
  - **Bid Amount:** $8.7 M
- **Option 12:** 125 k  
  - **Bid Amount:** $6.9 M
- **Option 13:** 158 k  
  - **Bid Amount:** $1.5 M

**TOTALS**  
- **1,305 k**  
  - **$62.5 M**
S-NB-1
Sample Cross Section

Volume (cy)

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New York and New Jersey Harbor
Newark Bay (S-NB-1) Contract

Basic
Option 9
Option 10
Option 11
Option 12

Outer Side Slope
The New Contracting Environment: Summary

- Continuing Contracts have been effectively utilized in New York for the many large multi-year dredging contracts required for the Deepening project.

- Used correctly, they provide the opportunity for intensive program management and the most effective use of both federal and sponsor funds.

- Base Bid plus options provides a means to keep some of the efficiency of large multi-year dredging contracts. However, they are administratively burdensome and there is less program management flexibility.

- Standby option – Could this be included with the new Continuing contract clause to reduce the risk to contractors?