Due to limits on time, speakers and panelists were unable to address all of the questions raised at the November 30th Workshop. Below are responses to a few of the unanswered questions.

* Question 1: How does the Corps dredge cost compare to private industry cost?
  + Response from Jim McNally: The Corps only operates a hydraulic dredge (hopper dredge essayons). The essayons is only  appropriate where a hopper dredge is appropriate so for most SF Bay projects where the disposal is way offshore at SFDODs or upland, a hopper dredge (and therefore the Essayons) would not be appropriate. An apples to apples comparison of private industry hopper dredges to the Corps dredges is a subject of a lot of analysis for other parts of the country and the ongoing debate of Corps hopper fleet utilization. I think it’s fair to say that private industry hopper dredges are more cost effective than the Corps dredges but the Corps dredges are kept in service for other reasons besides their relative cost as compared to private industry dredges.
  + Response from Rick Rhoads: I would only add that it is difficult to make this comparison since the two rarely engage on the same projects.  Furthermore, looking merely at “daily cost’ numbers, even for comparably sized vessels, fails to consider the operational productivity of each dredge.
* Question 2: How many dredgers in the Bay are necessary to see the benefits of increased competition?
  + Response from Jim McNally: In reality, two competent bidders is all you really need to see a big improvement in pricing from the one bid situation. A one bid scenario breaks down the whole “invitation for bid” bidding procedure. In that case, where this is only one competent and available bidder, the contracting scheme would have to shift to a negotiated sole source where the government has access to detailed cost information and can use that information to negotiate a fair and reasonable price.  In a business where a limited number of specialized tools exist, two bidders can be a problem if they don’t both have availability. So I would say the key is to have at least two companies with the appropriate equipment available.  A third company doesn’t help a lot if they have one dredge after that one dredge gets committed for the season.
  + Response from Rick Rhoads: I agree with Jim’s response and would add it isn’t so much the need to have “more” dredgers.  It has more to do with exercising our dredging program in a more efficient method.  Currently, the Corps puts out individual jobs and allows bidders to compete on a project-by-project basis.  Often, these projects have overlapping periods for completion, which exposes the limited local contractors to liquidated damages for failure to complete within the specified timeframe.  What we have been advocating is putting out the annual Corps dredging program as exactly that, a “program’, that enables not only local, but non-local bidders, to compete for a greater piece of work and allow them to sequence and complete the work in the most efficient manner possible within a broader timeframe for completion.