

Dredging Contract Formats Unit Price

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Circumstances that led to use of unit price format...

- Channel conditions in Texas are static not dynamic
- Historically Galveston District maintained capable technical expertise in hydrographic surveying
- Dredging quantities can accurately be defined for contract scope and payment using modern surveying technology



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Advantages associated with unit price format...

- Lower unit price results from well defined scope of work
- Less need for Contractors to include large contingencies in bid to cover unknowns
- Less risk to Government for cost growth
- Dredged depth known up front



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Advantages associated with unit price format...

- Bidding process is transparent to all through IFB format
- IFB format allows Contractors to effectively manage dredge plant nationally and regionally
- Bid prices are revealed to all at bid opening



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Challenges associated with unit price format...

- Potential for quantity overruns and resulting cost growth
- Takes more time to procure (market survey, FedBizOps, advertise)
- Fluff material sometimes hard to quantify



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