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May 22, 2025

Darrell White
Augusta, Georgia Procurement Department
535 Telfair Street, Suite 605
Augusta, Georgia 30901

RE: BID #25-150 Drainage Ditch Enclosure Phase II

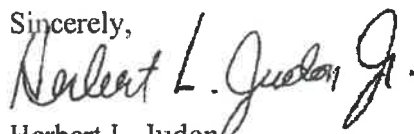
Dear Mr. White,

Please accept this attached justification letter from Mead & Hunt on behalf of Augusta Regional Airport regarding the Drainage Ditch Enclosure Phase II IFB# 25-150. After rebid, the qualifying low bid has come in over budget. The qualifying low bid submitted by Reeves Construction Company totaling \$5,285,229.60 including the base bid and additive alternative (Base Bid = \$3,479,323.60, Bid Alt = \$1,805,997.00) and comparing to the Engineer's estimate totaling \$2,807,308.63.

This project will be funded by a Georgia Department of Transportation (GDOT) Grant. The GDOT grant will cover 75% with a 25% local cost share. GDOT has committed to raising the amount of the grant due to market conditions resulting in cost escalations. Following GDOT's review, a draft Exhibit A was provided to Augusta Regional Airport which detailed GDOT's plan to award the entirety of the project (Base Bid and Additive Alt) in the amount of \$2,477,925.33 in FY 2024 and \$2,807,309.33 in FY 2025.

The Augusta Regional Airport would like to move forward with awarding this bid. I respectfully request approval of this justification.

If you have any additional questions, please contact me at 706-796-4040 or via email at hjudon@augustaga.gov

Sincerely,


Herbert L. Judon
Executive Director



5955 Core Road, Suite 515
North Charleston, South Carolina 29406
803-520-2986
meadhunt.com

May 19, 2025

Mr. Herbert L. Judon, Jr. A.A.E., IAP
Executive Director
Augusta Regional Airport
1501 Aviation Way
Augusta, Georgia 30906

Subject: Drainage Ditch Enclosure – Phase II

Dear Mr. Judon:

The Augusta Procurement Department has publicly Bid the Plans and Specifications for the Drainage Ditch Enclosure – Phase II project (IFB #25-150). Bids were opened and read publicly on March 19, 2025, at 3:00 pm, local time at the Augusta Procurement Department.

Mead and Hunt, Inc. has reviewed the response to the advertisement for bids for the project. Bids were received from Piedmont Mining, LLC headquartered in Wrens, GA and Reeves Construction Company headquartered in Augusta, GA.

All bids received must be reviewed as a whole by the Augusta Procurement Department and compared to the Engineer's estimate. In the event that the apparent responsive and responsible low bid contractor is compliant yet exceeds the allowed 20% overage between the bid and estimate, justification must be provided by the Consultant (Mead & Hunt) to the Augusta Regional Airport and the Augusta Procurement Department prior to recommending award to the apparent low-bid contractor.

Based upon our review of the bid submitted by Reeves Construction Company totaling \$5,285,229.60 including the base bid and additive alternative (Base Bid = \$3,479,323.60, Bid Alt = \$1,805,997.00) and comparing to the Engineer's estimate totaling \$2,807,308.63, Mead & Hunt determined that the bid received was approximately 88% higher (or approximately \$2,480,000.00 more) than the estimate while also exceeding the original programmed amount. The difference between these costs can be mainly attributed to a handful of items.

Within the Engineer's estimate, the cost of materials and labor included within the custom aircraft rated manholes/inlets as well as the class V concrete sewer pipe were based upon similar work scope completed several years ago. These items were escalated to account for inflation and labor increase, but with the volatility in the market, it is hard to account for concrete and steel prices and what they are anticipated to be at the time of bidding.