

## **Memorandum:**

Date: May 5, 2025

To: Brett Klein, Jerome Town Manager

From: Isabel Rollins, NACOG

Subject: Award of Deception Water Line Improvements Project

The Town advertised for bids starting on March 17, 2025 with bids due April 17, 2025. The bid results are attached.

The apparent low bidder, Ligon Excavating, forgot to add in the contingency line item which brought their bid up \$15,751.59 to \$439,694.39 (not including additional tax), which put them in second place.

R. Blume Underground's submittal was complete, and a Registrar of Contractors and federal SAM registration check was done. They were sent an Intent to Award letter on April 30, 2025 for \$425,511.50, pending Council approval. Non-Award notices were also sent out, allowing all of the bidders an opportunity to protest.

When the CDBG grant application was finalized last year, the cost estimate was \$483,668.48, but included about \$60,000 more in contingency than the bids. At that time the Town also committed up to \$150,000 towards the project through Resolution 667. With approximately \$350,000 available in CDBG grant funds, the Town's contribution should be significantly less than the \$150,000 committed, depending on change orders.

We recommend entering a construction contract with the low bidder, R. Blume Underground, for \$425,511.50.