

June 16, 2021

Mr. Rodney Pendleton St. Mark's Lutheran Church 5800 Backlick Road Springfield, VA 22151

Re: St. Mark's Lutheran church - Addition and renovation bids

Dear Rodney:

As you know, we originally invited six contractors to bid on the project. Two dropped out early (Forrester and Monarc). Yesterday, we received bids from three of the four remaining contractors. We received bids from Dominion Construction Group, Whitener and Jackson, and Hammerhead Construction. Chamberlain Construction did not submit a bid. I spoke to Robb Bowers at Chamberlain and he said they are too busy and could not staff the project until late fall.

I have attached each bid, and a bid tabulation sheet so we can see each contractor's bid. The bids, unfortunately, are extremely high, and also none of the contractors bidding the project will actually hold their bid for the requested 90 days.

We are seeing this situation on projects that we have currently under construction. Material costs are skyrocketing, and subcontractors are not committing to pricing for more than a few days. The labor shortage, which wasn't an issue several months ago, is now becoming one as more projects get started. All of this, plus the fact that this project is not simple, created the perfect storm on bid day.

I am also attaching a report we received Monday from Downey and Scott, one of the area's best cost estimating firms. While it doesn't change the numbers, it does help to explain the situation that our area is in with regard to the current construction market. It is clear that we are experiencing market conditions that no one (including us) could have anticipated.

If we do move forward with the project, our recommendation would be to go with Dominion Construction Group. If that is the church's choice, we can talk to them about potential cost-saving changes to both site and building.

Sincerely,

John J. Recny, RA, NCARB

Principal Architect

Encl



| PROJECT NAME: | PROJECT NO: | BID DUE DATE: Tuesday | BID DUE TIME: |
|---------------------|-------------|-----------------------|---------------|
| St. Mark's Lutheran | #120503 | June 15, 2021 | 4:00 PM |
| Church | | | |

| | #1 | #2 | #3 | #4 |
|--|---|--|---|-------------|
| Contractor | Dominion Construction Group | Whitener and Jackson | Hammerhead | Chamberlain |
| Base Bid | \$1,605,955 | \$2,198,825 | \$1,698,621 | did not bid |
| ALT 1: Refinish Sanctuary Platform | \$20,000 | \$15,201 | \$11,813 | |
| ALT 2: New Canopy | \$54,712 | \$64,412 | \$58,398 | |
| ALT 3: Relocate Statue | \$19,548 | \$20,237 | \$12,469 | |
| ALT 4: Landcaping | \$4,125 | \$6,179 | \$18,150 | |
| ALT 5: Helical Pile Foundations | included in base bid | (\$299,729) | \$19,500 | |
| ALT 6: Performance and Payment Bond | \$40,150 | \$15,832 | \$20,500 | |
| ALT 7: "Builders Risk" Property Insurance | \$2,000 | \$3,492 | \$12,500 | |
| BASE BID WITH ALTERNATE 5 ONLY | \$1,605,955 | \$1,899,096 | \$1,718,121 | |
| Unit Cost (soils) per cubic yard | \$286 (courtyard) \$55 (site) | \$200 | \$290 (courtyard) \$62 (site) | |
| Bid Guarantee/Bond | yes | yes | yes | |
| Time to Complete | 360 | 403 (if alt 5 is accepted) | \$210 | |
| Addendum 1 Received | yes | yes | yes | |
| Exclusions listed | yes (16 exclusions) | yes (38 exclusions) | yes (17 exclusions) | |
| Honor bid for 90 days? | No. They want to confirm pricing when contract is signed. | No. They will hold until July 15, and have a material escalation clause and time extenision clause | No. They will hold for 15 days and have an escalation clause. | |