



JOSEPH HOOVER AIA + ASSOCIATES
ARCHITECTURE + PLANNING + INTERIORS

July 16, 2021

D. J. Hutchinson
Project Administrator
Public Works Department
301 6th Street N.
City of Texas City, Texas 77590
djhutchinson@texascitytx.gov

Regarding: TC Firemen Hall
Carlo Garza Park
3310 Magnolia Avenue
Texas City, Texas 77590
Subject: Contractor Construction Proposals

Dear Mr. Hutchinson,

Four Bid Proposals were received from Contractors for the Construction of a Fireman Hall Building on June 23, 2021. The Proposals were very close with only a 4% difference between the low bid and the second Bid. Even if the Project was awarded to a contractor today, it would be six months for delivery of the steel framing.

Due to Covid 19 shutdown, historical sudden increases in the inflation rates, social unrest, foreign trade imports and other factors, Construction Costs have skyrocketed since the first of this year. When the cost of steel and timber increases to more than double, not only is structural steel and wood framing lumber affected, all other building products manufactured with steel and wood costs are affected.

When we first became involved with this project in March of 2020, I always worked with a contractor to get an estimate for the project. The estimate was so complete that at that time, He stated that He was willing to even sign a Construction Contract for the Project. Since that time, Construction costs have more than doubled. In May, costs were raising so rapidly, a contractor was given only seventy two hours from suppliers to hold their bids for products.

For the reasons stated above, I recommend that all Bid Proposals submitted by the Bidding Contractors be rejected for a period of time until Construction Costs stabilize to a point that the Project can be Re-bid.

Sincerely,



Joseph A. Hoover AIA

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