



May 4, 2023

Rebecca Westover
Mountain View Whisman School District
1400 Montecito Avenue
Mountain View, CA 94043

RE: HVAC Controls Upgrade Phase 4 Project – Reject all Bids

In our capacity as the District's Construction Manager, we have completed a review of the Bid Proposal submitted by all prospective bidders of the **HVAC Controls Upgrade Phase 4 Project** that was bid on Tuesday, April 11, 2023, at 2:00 pm. Foothill Heating and Air Conditioning has submitted the responsive and responsible low bid for the subject project.

The construction budget for this project was \$450,000.00. The bid received from Foothill Heating and Air Conditioning was \$1,940,500.00. Foothill Heating and Air Conditioning's Bid is \$1,490,500.00 over the construction budget.

After speaking with bidders, and potential bidders, for this project, the overage is primarily attributed to increases in material costs due to supply chain issues. Electrical components are the largest portions of this project impacted by material cost increases. Additionally, the elevated pricing may also be the result of inadequate coverage from receiving bids close to the summer construction season and relatively limited capacity of contractors to complete the project over summer of 2023.

Given the circumstances, it is our recommendation that the District reject all bids for the HVAC Controls Upgrade Phase 4 Project based upon the wide overage on the construction budget. Upon rejection of all bids the administration and Greystone West will work closely with the Architect and Engineers towards a solution that will result in obtaining more optimum results and greater bid coverage.

Please do not hesitate to contact Greystone West Company with any questions or concerns.

Sincerely,
Greystone West Company

A handwritten signature in black ink that reads "Juan Sagarra".

Juan Sagarra
Project Manager