

Eric Larson
Effingham County
Springfield, GA

03/01/2022

Effingham County Fire station #15

Mr. Larson,

Although we are not in receipt of any formal paperwork from the County rejecting the proposed change order, we have been advised that the change order for the construction of the Fire Station #15 located on Hodgeville Road was rejected at Counsel. As we stated in our previous meeting, the Worldwide Coronavirus Pandemic and the arctic storm that stifled a large part of the country in February 2021 drastically increased the price of materials, which has left us with financial constraints that we are not able to overcome without an increase in the contract price. We also mentioned that many of our subcontractors would also be submitting change order requests due to price increases, which I can only assume will also be met with this same result.

Our proposed solution is as follows:

Remove SC&P from the Contract and have the County manage the work directly. Using the subcontractor's direct price without SC & P's overhead or profit added should help mitigate the increases in material costs.

We have come to understand that the County never received Payment & Performance Bonds for this project. SC&P requested that its Surety issue these bonds and is unfortunate that the County only just brought this to light. We were not aware that the bonds were not issued, however no payments were withheld by the County, nor was it ever mentioned to us by the County until this latest issue with the current Change Order. Unfortunately, currently we are not able to provide bonds for this project.

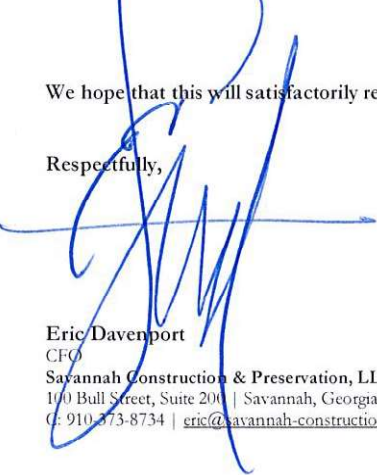
Savannah Construction & Preservation will forfeit the current retainage withheld by the County to accommodate for the P&P Bonds and additional anchor bolt testing that was requested by the County.

Subcontractors currently engaged with project:

1. Indoor Climate Experts – Mechanical.
2. Maintenance Tech – Electrical.
3. Jake Patrick – Plumbing.
4. Ricks Glass. – Storefront.

We hope that this will satisfactorily resolve the issue and conclude SC & P's involvement in the project.

Respectfully,


Eric Davenport
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