

**Request for Action  
by  
Board of Commissioners**

**Approval of Contract for Boiler System and Water Heater Replacement**

**1. Summary of Request**

This Request for Action (“RFA”) is for approval to enter into a contract with Nexgen Mechanical, Inc. (“Nexgen”) to replace the boiler system and hot water heater for the Slade/Garr Building located at 44 Washington Street in Providence.

**2. Discussion**

In June of 2019, Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) conducted a Capital Needs Assessment (CNA) for the corporation owned buildings at 44 Washington Street, Providence, RI. Recommendations from the CNA were used to develop a three-year capital plan and to budget expenses accordingly. Due to age (circa 1995) and limited efficiency, the current boiler system was identified as a priority item in the CNA. As part of the FY20 Capital Plan, RIHousing included funding for the boiler replacement project.

In September of 2019, RIHousing hired Union Studio and EDS Engineering to prepare plans and specifications for the project, and to assist with bid review and evaluation. As part of the assessment of the systems, EDS recommended that RIHousing also replace the existing inefficient hot water heater.

Solicitations for bids were made to four pre-approved vendors who are on the State of Rhode Island’s Master Price Agreement list. RIHousing received bids from three of the vendors. One bidder chose not to bid on the project. All bids met the threshold requirements and the final recommendation is based upon pricing. In addition, RIHousing has a positive past work experience with the successful bidder.

The boiler system will be replaced with three high efficiency tandem condensing boilers. The project includes equipment, piping, exhaust system to roof, and labor. Nexgen will replace the existing domestic water heater with a high efficiency commercial electric water heater with a new direct-vent.

RIHousing expects to commence this project in June 2020 with completion in late August 2020. We anticipate rebates from National Grid’s High Efficiency Natural Gas Equipment Incentives Program for the boilers and hot water heater expenses.

**3. Recommendation**

The attached resolution is recommended for approval.

4. **Attachments**

- A. Resolution of the Board of Commissioners of RI Housing
- B. Master Score Sheet

## Attachment A

### Resolution of the Board of Commissioners of Rhode Island Housing and Mortgage Finance Corporation

**Whereas:** the enabling act of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) provides it with the power to make and execute contracts necessary for the exercise of powers and functions provided to it under the Rhode Island Housing and Mortgage Finance Corporation Act, R.I. Gen. Laws §42-55-5(6); and

**Whereas:** in June of 2019, RIHousing conducted a Capital Needs Assessment (CNA) for the corporation owned buildings at 44 Washington Street, which identified the replacement of the boiler system as a priority item in the CNA; and

**Whereas:** as part of an assessment of the systems, it was recommended that RIHousing also replace the existing hot water heater; and

**Whereas:** RIHousing included funding for the replacement project in the FY20 Capital Plan, developed a scope of services and solicited bids from qualified contractors on the State of Rhode Island’s Master Price Agreement list to perform the work; and

**Whereas:** a selection committee comprised of staff reviewed the proposals and evaluated them in accordance with the criteria outlined in the solicitation; and

**Whereas:** staff requests approval to enter into a contract with the lowest priced, qualified bidder, Nexgen Mechanical, Inc.

#### **NOW, THEREFORE, IT IS HEREBY:**

**Resolved:** that RIHousing be, and hereby is authorized, to enter into a contract with Nexgen Mechanical, Inc. to replace the boiler system and hot water heater as set forth in the solicitation and the bid submitted in response thereto.

**Resolved:** that the Executive Director, Deputy Executive Director and Chief Operating Officer, each acting singly, be, and hereby are, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolutions, including without limitation the authority to negotiate terms and fees of the contract as he or she may determine are in the best interests of RIHousing, to execute any and all agreements or documents as he or she

deems necessary to carry out the foregoing and to take such further actions as he or she deems necessary to carry out the foregoing resolutions.

**Attachment B**

**Master Score Sheet**

**2020 Slade/Garr Boiler Project Proposal Analysis**

	<b><i><u>Delta Mechanical</u></i></b>	<b><i><u>Arden Engineering</u></i></b>	<b><i><u>Nexgen Mechanical</u></i></b>	<b><i><u>JMB Mechanical</u></i></b>
Base Bid	\$ 509,400.00	\$ 477,000.00	\$ 381,500.00	No Bid
Alt 1 - Heat Pump Water Heater	\$ (1,200.00)	\$ 4,500.00	\$ 4,895.00	
Total Bid	\$ 508,200.00	\$ 481,500.00	\$ 386,395.00	