

PUBLIC HOUSING AGENCY OF THE CITY OF SAINT PAUL

REPORT TO COMMISSIONERS

FROM JON M. GUTZMANN
EXECUTIVE DIRECTOR

REGARDING Boiler and Domestic Hot Water
Replacement; Central and Neill
Hi-Rises; AMP 7;
Contract No. 10-077

DATE February 24, 2010

Staff requests Board approval to award a contract to replace the boiler and domestic hot water systems at the Central and Neill Hi-Rises (AMP 7) to the lowest responsible bidder, Cool Air Mechanical, Inc. of St Paul, Minnesota, for the bid amount of \$1,743,000. A copy of the February 11, 2010 bid tabulation is attached.

The contractor will replace the forty year-old boiler and domestic hot water systems at Central and Neill Hi-Rises with smaller, more energy-efficient boilers and water heaters. The improvements at Neill Hi-Rise also include a green technology rooftop solar thermal system. All of the work will be completed between May 16 and September 6, 2010 to ensure that heat is restored to the buildings prior to the beginning of the heating season.

Harris Companies of St. Paul originally submitted the low bid for this contract, but requested to withdraw their bid when they discovered that they had made a significant mistake in their calculations. Staff reviewed Harris' request and supporting documentation in accordance with HUD guidelines, and formally granted their request to withdraw on February 16, 2010.

Cool Air Mechanical has previously performed satisfactorily on other PHA contracts, but, due to the size of this project and the demanding schedule, staff and the PHA's consultant, LKPB, conducted a thorough review of Cool Air's qualifications and references.

Cool Air Mechanical intends to subcontract 5.6 % of the contract to minority-owned business enterprises (MBE) and 4 % of the contract work to women-owned business enterprises (WBE). They also intend to hire qualified Section 3 residents for the duration of the project to fulfill the specified Section 3 requirements.

Copies of the Employer Information Reports for Cool Air Mechanical and the third low bidder, Albers Mechanical, are attached.

Cool Air Mechanical's bid is below LKPB's estimate for the work. This project will be funded from the PHA's \$3.28 million Competitive Capital Fund Recovery Grant for AMP 7 (from the American Recovery and Reinvestment Act of 2009, also called the Stimulus Act).

SEA

Attachments: Bid Tabulation
Employer Information Report