SUPPLEMENTAL AGENDA

Suspension of the Rules Request ALC/Review Subcommittee

Tuesday, December 13th, 2022 1:30 pm, Room A MAC

A. Method of Finance

1. U of A – Community College – Hope Texarkana

Note: All exhibits for this meeting are available by electronic means and are accessible on the General Assembly's website at www.arkleg.state.ar.us

Notice: Silence your cell phones. Keep your personal conversations to a minimum. Observe restrictions designating areas as 'Members and Staff Only'.



December 12, 2022

The Honorable Scott Flippo, Chair The Honorable Ken Bragg, Chair Arkansas Legislative Council – Review Subcommittee State Capitol Building Little Rock, AR 72201

Dear Senator Flippo and Representative Bragg:

The University of Arkansas Hope-Texarkana (UAHT) requests the suspension of the Committee Rules for Supplemental Agenda Item requiring submission in advance of a committee meeting to review the attached revised Method of Financing (MOF) for the HVAC System Replacement project at the Hope campus.

The request to review this revised MOF is needed as the sole bidder to the Invitation for Bid offered a bid amount that exceeded the original allocated funds for the project. With the assistance of UAHT's on-call architect, the bid amount was negotiated to \$398,022 less than the original bid, however, the amount remained in excess of the original allocated funds. This was due to a sole bidder responding to the bid who had a low number of subcontractors bid on the job, COVID supply chain costs, and travel, lodging, and per diem expenses not being factored in the original estimate.

The Invitation for Bid was issued on October 10, 2022, and closed October 27, 2022. After a lengthy review process, a negotiation process commenced to identify cost savings options for the project. On November 30, 2022, a revised bid amount was presented to UAHT. The bid was accepted, and UAHT issued an intent to award. A total of \$1,347,357.00 of HEERF III has been allocated towards the project, with substantial completion needed before June 30, 2023, without requesting a one-time extension. Time is of the essence with this project as costs associated with this project continue to rise due to inflation and supply chain delays continue to exist. Additionally, the completion of this project ahead of May 2023 graduation season is critical. The facility is not only used for UAHT graduation, but for local K-12 graduations. UAHT's graduation event is the most attended event in the facility, averaging over 1,500 guests. This project intends to improve air quality and flow in the facility.

Your favorable response would be appreciated.

Sincerely,

Christine Holt, Chancellor

Methods of Finance Requiring Suspension of Rules

EST. START	COMPLETION	6/30/2023
TYPE OF FUNDING	Ö	Federal Grants (ARPA) 82%, Reserves 18%
CURRENT REVISED TOTAL		\$1,944,707.00
	Date of Revision	12/9/2022
ESTIMATED TOTAL PROJECTED COST		\$1,944,707.00
INITIAL TOTAL	Initial Cost	\$1,278,000.00
PURPOSE/PROJECT		UA Community College HVAC System Replacement. This project is at Hope-Texarkana - for Hempstead Hall on the Hope Campus. MOF #04988A
AGENCY		1 UA Community College at Hope-Texarkana - MOF #04988A