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June 9, 2025

Senator Ben Gilmore Co-Chair Representative Les D. Eaves, Co-Chair Arkansas Legislative Council State Capitol, Room 315 Little Rock, Arkansas 72201

Dear Senator Gilmore and Representative Eaves:

The Department of Human Services (DHS) is submitting its quarterly report on storm damage repairs at the Arkansas State Hospital (ASH), funded through restricted reserves. Phase I, involving asbestos abatement, was completed in June 2024. Phases II and III—flood damage remediation for Units 4 and 3, respectively—have been delayed due to bid amounts exceeding the allowable threshold for on-call or emergency procurement work.

As a result, DHS issued a Request for Qualifications (RFQ) on February 16 and 23, 2025, with submissions due by April 9, 2025. Following interviews on May 14, Lockeby & Associates was selected to develop design plans for both units. As this is a project-specific design contract, the \$2 million on-call limit does not apply, allowing the work to proceed based on available funding. Restoring each unit is estimated to cost over \$4 million.

The design contract is being developed to submit for legislative review, with construction anticipated to begin in Fall 2025. While Units 3 and 4 were included in a single RFQ, DHS plans to prioritize Unit 3, which will house a new 16-bed Secured Restoration program.

No new or additional expenses have been incurred since the last report. For further information, please contact Misty Eubanks, Deputy Secretary for Operations and Budget.

Sincerely,

Kristi Putnam, Secretary Arkansas Department of Human Services

Andy Babbit, Administrator DFA-Office of Accounting

Arkansas State Hospital (ASH)

ASH Storm Damage Repair Status as of 02/28/2025

Legislature Provided Funding MOF #05182

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|--|--------------|---|------------|--------------|-----------------|-------------------|------------|-----------------|--------------------|------------------------|---------------------|----------|--------------------------------|------------------------------|-------------|
| | | | To DBA | To DBA | Low Bid | Bid Status/Notice | | Est. Cost | Project Exp. As of | | AASIS Funds | Approv. | | Design | Div. to |
| Unit | DBA Proj. # | Project Description | For Review | For Bid Date | Amount | To Proceed | MOF # | Of Const. | 11/30/2024 | Cost String | Obligated by Req/PO | In AASIS | Status | Professional | Proceed Y/N |
| | Design | Phase I - Asbestos Abatement All Units | 7-Jun-24 | | | | 05182 | | \$ 46,494.09 | 418057-10/1DE/HHAX01XX | Various | Approv. | Complete | Morris AE/Lockeby Eng. | Complete |
| | Construction | Phase I - Asbestos Abatement All Units | 28-Sep-23 | 19-Jan-24 | \$ 433,000.00 | 24-Feb-24 | 05182 | 433,000.00 | 433,000.00 | 418081-02/BV9/NHS2023 | 4502204077 | Approv. | Complete - Inv. Outstanding | Env. Protection Assoc., Inc. | Complete |
| | Design | Phase II - Flood Damage Remediation Unit #4 | 7-Jun-24 | | | | 05182 | - | 92,016.90 | 418081-10/BV9/NHS2023 | 4502192766 | Approv. | Complete | Morris AE/Lockeby Eng. | Complete |
| | Construction | Phase II - Flood Damage Remediation Unit #4 | 18-Mar-24 | 8-Aug-24 | \$ 3,095,144.00 | On Hold | 05182 | 1,967,900.00 | - | 418081-10/BV9/NHS2023 | Req. #1000994561 | Deleted | Exceeded DBA On-Call Threshold | Baldwin & Shell Const. | Hold |
| | Design | Phase III - Flood Damage Rem. Unit #3 | 28-Mar-24 | | | | 05182 | - | 147,859.61 | 418081-10/BV9/NHS2023 | 4502192766 | Approv. | Current | Morris AE/Lockeby Eng. | Current |
| | Construction | Phase III - Flood Damage Rem. Unit #3 | 28-Aug-24 | 9-Dec-24 | \$ 3,190,313.00 | On Hold | 05182 | 2,000,000.00 | - | 418081-10/BV9/NHS2023 | Req. #1001008116 | Deleted | Exceeded DBA On-Call Threshold | Kinco Construction | Hold |
| | | | | | | ASH Total Est. I | BV9 Funds: | \$ 4,400,900.00 | \$ 719,370.60 | | | | | | |

| | \$ 46,494.09 |
|---|------------------|
| | \$ 92,016.90 |
| | \$ 35,868.94 |
| Previous Design Prof Exp: | \$ 174,379.93 |
| New Total Design Exp: | \$ 286,370.60 |
| Additional Design fees since last report: | \$ 111,990.67 |

2.28.2025