



June 12, 2026

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

DHS issued a Request for Qualifications and Lockeby & Associates were 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 contract with Lockeby & Associates was reviewed during legislative review in August 2025 with an effective start date of September 1, 2025.

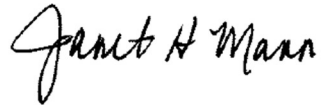
Upon approval from the Governor's Office, the design was submitted to the Division of Building Authority for review on November 5, 2025. Several addendums issued before the original December 23, 2025, bid date extended the schedule, with the final revised bid date set for January 20, 2026. The lowest bid of \$3,046,000.00 was submitted by Shields & Associates, Inc. and was accepted by DHS on January 21, 2026. DHS completed the official bid tab and submitted it to DBA the same day. Contract documents were prepared by the design professional delivered to DBA on February 4, 2026, with DBA executing them on February 17, 2026. A pre-construction meeting was held on February 23, 2026, and construction by Shields & Associates began the week of March 9, 2026, Shields & Associates has completed all demolition work, and mechanical installation has begun on both the basement level and the first floor. Piping has been fully installed in the basement and is now being extended to the second floor, fan coil units have been set, and all electrical panels and conduit are in place. Lockeby & Associates will soon meet with the State Fire Marshal to review the fire alarm layout. Several items are currently under cost review, including removing the existing sump cover and installing a new guardrail with access, sealing off the old basement fan and louvers and adding a heating unit to prevent winter freezing, removing old valves below the exterior grating, inspecting all existing sewer lines, and evaluating a generator sized to power the existing panels for one week. Staley can transfer power to the new panels. The current projected Substantial Completion date is set as October 21, 2026 (240 days of construction). While Units 3 and 4 were included in the above-referenced RFQ, DHS is prioritizing Unit 3, which will house a new 16-bed Secured Restoration program.

The State's insurance adjustor calculated the actual cash value amount less depreciation applicable to this storm remediation project in the amount of \$1,817,056.69. DHS has since received the check for this amount, deposited, and transferred to the Department of Finance and Administration. In turn, said

amount was returned to the restricted reserve funds on February 27, 2026. To date construction expense for Unit #3 is \$319,940.38. The balance and contract to be paid is currently \$2,869,625.99.

For further information, please contact Rosaura Munnerlyn, DHS Division Administrator for the Office of Substance Abuse and Mental Health (OSAMH), at 501-680-0412.

Sincerely,

A handwritten signature in black ink that reads "Janet H. Mann". The signature is written in a cursive, flowing style.

Janet Mann, Secretary  
Arkansas Department of Human Services

cc: Andy Babbit, Administrator  
DFA-Office of Accounting

**Arkansas State Hospital (ASH) Storm Damage - Units #3 & #4**

6-Apr-26

**ASH Storm Damage Repair Status as of 4 June 2026**

**Legislatre Provided Funding MOF #05182**

DBA Proj. #	Project Description	Design Professional Plans & Specs Rec.	Cost String	AASIS Req./PO	Date of Req/PO Approval	To DBA For Review	To DBA Const. For Bid Date	Bid Date	Accepted Low Bid Amount	Notice to A/E Proceed/Rejected	MOF #	Est. or Act. Cost A/E & Const.	Actual	Outstanding Bal. Est. Proj. Exp.	Status	Design Professional	Project Status			
													Project Exp. As of 4-Jun-26							
Design	Phase I - Asbestos Abatement All Units	08-Aug-23	418057-10/1DE/HHAX01XX			7-Aug-23						05182	\$ -	\$ 46,494.09	\$ -	Complete	Morris AE/Lockeby Eng.	Closed		
Construction	Phase I - Asbestos Abatement All Units	DBA #7102311EM Ph. I	418081-02/BV9/NHS2023	#4502204077	4-Mar-24	22-Sep-23	13-Dec-23	17-Jan-24	\$ 433,000.00	22-Jan-24		05182	\$ 433,000.00	\$ 433,000.00	\$ -	Complete	Env. Protection Assoc., Inc.	Closed		
Design	Phase II - Flood Damage Remediation Unit #4	17-Mar-24	418081-10/BV9/NHS2023			18-Mar-24						05182	\$ -	\$ 92,016.90	\$ -	Complete	Morris AE/Lockeby Eng.	Closed		
Construction	Phase II - Flood Damage Remediation Unit #4	DBA #7102311EM Ph. II	418081-10/BV9/NHS2023	#1000994561	18-Mar-24	20-Mar-24	1-Apr-24	8-Aug-24	\$ 3,095,144.00	Rejected		05182	\$ -	\$ -	\$ -	Cancelled	n/a	Closed		
Design	Phase III - Flood Damage Remediation Unit #3	17-Jun-24	418081-10/BV9/NHS2023			18-Jun-24						05182	\$ -	\$ 35,868.94	\$ -	Complete	Morris AE/Lockeby Eng.	Closed		
Construction	Phase III - Flood Damage Remediation Unit #3	DBA #7102311EM Ph. III	418081-10/BV9/NHS2023	#1001008116	18-Jun-24	28-Aug-24	13-Sep-24	10-Dec-24	\$ 3,190,313.00	Rejected		05182	\$ -	\$ -	\$ -	Cancelled	n/a	Closed		
Design	Phase I - Flood Damage Remediation . Unit #3		418081-10/BV9/NHS2023									05182	\$ 297,500.00	\$ 93,750.00	\$ 203,750.00		Lockeby Eng./Morris AE	Open		
Construction	Phase I - Flood Damage Remediation Unit #3	09-Oct-25	418081-10/BV9/NHS2023	402320361	18-Feb-26							05182	\$ 3,046,000.00	\$ 3,189,566.37	\$ 2,869,625.99		Shields & Assoc.	Open		
Design	Phase II - Flood Damage Rem. Unit #4		418081-10/BV9/NHS2023									05182	\$ 297,500.00	\$ -	\$ 297,500.00		Lockeby Eng./Morris AE	Open		
Construction	Phase II - Flood Damage Rem. Unit #3		418081-10/BV9/NHS2023									05182	\$ 4,000,000.00	\$ -	\$ 4,000,000.00			Open		
													<b>Total Bid Amt:</b>	\$ 433,000.00	<b>ASH Total Est. BV9 Funds:</b>	\$ 8,074,000.00	\$ 3,890,696.30	\$ 7,370,875.99		

<b>FY26 -New Project Total Design Professional Fees To Date (Open)</b>	
FY26 - Phase I - Flood Damage Remediation Unit #3 est. at \$292,500.00:	\$ 123,008.61
FY26 - Phase II - Flood Damage Remediation Unit #4 est. at \$266,500.00:	\$ -
<b>New Total Design Prof. Serv. Exp:</b>	<b>\$ 123,008.61</b>

<b>FY23/24 - Total Design Professional Fees To Date CLOSED</b>	
Phase I - Asbestos Abatement All Units:	\$ 46,494.09
Phase II - Flood Damage Remediation Unit #4:	\$ 92,016.90
Phase III - Flood Damage Remediation Unit #3:	\$ 35,868.94
<b>Previous Total Design Prof Serv. Exp:</b>	<b>\$ 174,379.93</b>

<b>FY23/24 - Total Construction Costs To Date CLOSED</b>	
Phase I - Asbestos Abatement All Units:	\$ 433,000.00
Orig. Phase II - Flood Damage Remediation Unit #4:	Cancelled
Orig. Phase III - Flood Damage Remediation Unit #3:	Cancelled
<b>Sub Total:</b>	<b>\$ 433,000.00</b>
<b>Bal. Owed for Completed Work:</b>	<b>\$ -</b>
<b>Total Construction to Date:</b>	<b>\$ 433,000.00</b>
<b>DBA #712311 EM Total Remediation to Date:</b>	<b>\$ 607,379.93</b>

<b>FY26 - Total Construction Costs To Date (Open)</b>		<b>Curr. PO #</b>
DBA #7102602 - Phase I - Flood Damage Remediation Unit #3 Est. \$3,973,000.00:	\$ 3,189,566.37	4502320361
FY26 - Phase II - Flood Damage Remediation Unit #4: \$3,095,144.00:	\$ -	
<b>Sub Total:</b>	<b>\$ 3,189,566.37</b>	
<b>Total Construction Expensed to Date:</b>	<b>\$ 319,940.38</b>	
<b>FY26 - DBA #7102602 EM Des. Prof. + Gen. Cont. Total Remediation to Date:</b>	<b>\$ 442,948.99</b>	

<b>FY23/24 - Facility Initial 1DE or 896 Exp. At Time of Incident - Dec 2022. (Not Restricted Reserve) CLOSED</b>	
Kone Inc.:	\$ 59,855.00
Nabholz Const:	\$ 1,908.21
Metro Disaster Specialists:	\$ 85,650.10
<b>Total Facility Expenses (896 or 1DE):</b>	<b>\$ 147,413.31</b>

<b>Total Known Restricted Reserve to Date:</b>	<b>\$ 1,050,328.92</b>
<b>Total Known Expenses All Funding Sources To Date:</b>	<b>\$ 1,197,742.23</b>