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March 4, 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 Arkansas State Hospital (ASH) storm repairs utilizing restricted reserve funds.

Phase I of the remediation project, which was asbestos abatement, was completed as of June 2024.

Phase II, flood damage remediation for Unit 4, and Phase III, flood damage remediation for Unit 3, are taking longer than anticipated due to the bid amounts exceeding the monetary threshold for "On Call" work. This means the Department had to reject both bids that were received. Because the monetary threshold exceeds the emergency procurement allowance, the Department has now issued a Request for Qualification that includes the work for both Unit 3 and Unit 4. The RFQ was advertised on February 16, 2025, and February 23, 2025. Work is anticipated to begin in the fall of 2025.

Although Unit 3 and Unit 4 are both contained in one single RFQ, the Department will be able to divide the work and plan to start with Unit 3, which is slated to house the new 16 bed Secured Restoration program.

No new expenses have been incurred since the last report, and no additional expenses are anticipated until the design work for Unit 3 begins.

Thank you for your assistance and interest in this critical project. Please contact Misty Eubanks, Deputy Secretary for Operations and Budget, if you need additional information.

Sincerely,

Kristi Putnam, Secretary Arkansas Department of Human Services

KP: mbe

CC: Robert Brech, Administrator DFA---Office of Budget

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

			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.	<u>11/30/2024</u>	Cost String	Obligated by Req/PO	In AASIS	<u>Status</u>	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. E	3V9 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