



AR K A N S A S
DEPARTMENT OF
HUMAN
SERVICES

DHS Secretary Janet Mann

Office of the Secretary

P.O. Box 1437, Slot S201, Little Rock, AR 72203-1437
P: 501.682.8650 F: 501.682.6836 TDD: 501.682.8820

L.1

March 04, 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 (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 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 (RFQ) 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 (DBA) 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 was submitted by Shields & Associates, Inc. (\$3,046,000.00) which 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 is expected to begin the week of March 3, 2026. 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 (DFA). In turn, said amount was returned to the restricted reserve funds on February 27, 2026.

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

Sincerely,

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

2-Mar-26

ASH Storm Damage Repair Status as of 5 November 2025

Legislature 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		Status	Design Professional	Project Status			
													Project Exp. As of 20-Oct-25	Outstanding Bal. Est. Proj. Exp.						
Design	Phase I - Asbestos Abatement All Units	08-Aug-23	418057-10/1DE/HHAX01XX			7-Aug-23	08-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	\$ 3,190,319.00	Rejected		05182	\$ -	\$ -	\$ -	Cancelled	n/a	Closed		
Design	Phase I - Flood Damage Rem. 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	#1001036247	4-Nov-25	5-Nov-25						05182	\$ 3,046,000.00	\$ -	\$ 3,046,000.00			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		
													Total Bid Amt:	\$ 433,000.00	ASH Total Est. BV9 Funds:	\$ 8,074,000.00	\$ 701,129.93	\$ 7,547,250.00		

FY26 - New Project Total Design Professional Fees To Date (Open)	
FY26 - Phase I - Flood Damage Remediation Unit #3 est. at \$292,500.00:	\$ 93,750.00
FY26 - Phase II - Flood Damage Remediation Unit #4 est. at \$266,500.00:	\$ -
New Total Design Prof. Serv. Exp:	\$ 93,750.00

FY26 - Total Construction Costs To Date (Open)	
FY26 - Phase I - Flood Damage Remediation Unit #3 Est. \$3,973,000.00:	\$ 3,046,000.00
FY26 - Phase II - Flood Damage Remediation Unit #4:	\$ -
Sub Total:	\$ 3,046,000.00
Bal. Owed for Completed Work:	\$ -
Total Construction to Date:	\$ 3,046,000.00

FY26 - DBA #712311 EM Total Remediation to Date: **\$ 3,139,750.00**

FY23/24 - Total Design Professional Fees To Date CLOSED	
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
Previous Total Design Prof Serv. Exp:	\$ 174,379.93

FY23/24 - Total Construction Costs To Date CLOSED	
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
Sub Total:	\$ 433,000.00
Bal. Owed for Completed Work:	\$ -
Total Construction to Date:	\$ 433,000.00
DBA #712311 EM Total Remediation to Date:	\$ 607,379.93

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

Total Known Restricted Reserve to Date:	\$ 3,747,129.93
Total Known Expenses All Funding Sources To Date:	\$ 3,894,543.24

DBA Field Report

DBA Project Number	Project Name	Agency Name		
7102602	ASH Unit #3 Water Damage Remediation	Department of Human Services		
Design Professional Name		Contractor Code:		
Lockeby & Associates, Inc.		Shields & Associates, Inc.		
Contract Award Date	Completion Date	Revised Comp. Date	Contract Amount	Revised Contract Amount
1 /23/2026	10/21/2026		\$3,046,000.00	
Method of Contracting		Sum of C/O Increases	Sum of C/O Decreases	C/O # of Days
Design / Bid / Build				
Report Number	Report Type	Date Of Report	Time Of Report	# Workers
1	Pre-Construction Meeting	2 /23/2026	12:35:00 PM	0
Superintendent Present	Temperature	Weather Conditions	Site Conditions	% Complete
<input checked="" type="checkbox"/>	50s	Partly Cloudy	Favorable	0
Report Comments				
<p>ASH UNIT #3 Water Damage Remediation (7102602)</p> <p>Arrived on site to attend the pre-construction meeting presented by Ken King of Lockeby & Associates the meeting had started at 1245pm and ended after a site visit had been concluded. 2/23/2026 Contract time begins the contractor has 10 days to submit the schedule of values. With 240 days construction phase. This project has \$100.00 per day liquidated damages clause. Notice to proceed had been signed and given to the contractor, Owner, DBA, Design professional. Chain of command all correspondence and communication are to routed through the A/E. The contractor is to provide submittals electronically. Grant disclosure forms had been given to the contractor. A/E had given direction on pay requests and weather and delay information. Work hours will be mon – fri 700am – 330pm. Saturday and Sunday work allowed parking lot lay out to be blocked off for the contractor. A meeting with subcontractors will be held on 2/26/2026 and updates will be sent out. Start of work next week with demo to start. David Foot will be the project superintendent phone number had been given. Next progress meting will be fluid the next few weeks until needed after or near end of Demo. A/E had given the contractor a closeout checklist. Site visit pictures have been taken and will be attached to this report.</p>				
Inspector's Last Name	Baginski			

ASH Unit #3 Water Damage Remediation

(7102602)

1235pm

ARRIVED

215pm

DEPART



DEMO TO TAKE PLACE IN THE BASEMENT FIRST AND SECOND FLOOR.



WIRES TO BE
REMOVED.



Pre-Construction Meeting Report

Meeting Date: February 23, 2026

Report Date: February 24, 2026

Project: ASH Unit #3 Water Damage Remediation

Location: Arkansas State Hospital
305 S Palm ST
Little Rock, AR 72205

Client: Arkansas Department of Human Services
L&A Project #: 25-15
DBA Project #: 7102602

Attendees:

<u>Name</u>	<u>Representing</u>	<u>Phone</u>	<u>Email Address</u>
Glenn Lockeby	Lockeby & Associates, Inc.	501-228-9800	glenn@lockeby.com
Ken King	Lockeby & Associates, Inc	501-228-9800	Ken@lockeby.com
David Foote	Sheilds and Associates	870-718-5641	david@shieldsteam.com
Craig Parson	DHS Fac. Admin.	501-259-0333	craig.parsons@dhs.arkansas.gov
Robert Haynie	AHS	501-454-1924	robert.haynie@dhs.arkansas.gov
James Scoggins	AHS	501-265-9963	james.scoggins@dhs.arkansas.gov
Matt Dempsey	ASH	501-626-5742	matthew.dempsey@dhs.arkansas.gov
Matthew Bittle	Sheilds and Associates	501-231-4391	matthew.b@shieldsteam.com
Steffan Baginski	DBA	501-554-5139	steffan.baginski@arkansas.gov
Brian Daudenheyer	Voegele Mech	501-944-0173	Brain.daub2@gmail.com
James Kimbrell	Voegele Mech	501-231-3472	james@voegelemci.com
B. Jordan Ziemet	Sheilds and Associates	501-944-2867	jordan.z@sheildsteam.com
Bryan Hall	ASH	501-650-2471	bryan.hall@dhs.arkansas.gov
Daniel Ladenburg	Staley	501-554-4110	daniel.ladenburg@staleyelectric.com
J.B. Crow	Powers	501-350-0842	j.crow@powers-hvac.com
Stephen Friswold	Dollar Sheet Metal	501-206-8636	

The following persons did not attend this meeting, but will be copied this report:

<u>Name</u>	<u>Representing</u>	<u>Phone</u>	<u>Email Address</u>
Anthony Franks	DBA	501-682-5575	anthony.franks@arkansas.gov
Doran White	DBA	501-682-5577	doran.white@dfa.arkansas.gov
Robert Morehead	DBA	501-682-6831	robert.morehead@dfa.arkansas.gov

Discussion Items:

1. Introductions were conducted.
2. Ken King noted that he had emailed the approved contract to Matthew Bittle, he confirmed he received a copy of the contract.

3. A/E discussed the contract start date of **Monday, February 23, 2026** and the initial Substantial Completion date of **Wednesday, October 21, 2026**, as stated in the Notice to Proceed. This contract has a **240 day** construction period.
4. This project has a \$100.00 per day liquidated damages clause in the contract.
5. Ken gave Matthew Bittle four (4) copies of this NTP to sign. Ken distributed these four NTP documents as follows:
 - One original was retained by the A/E for their records;
 - One original was given to Contractor for their records;
 - One original was given to DBA Inspector for DBA's records;
 - One original will be mailed to ADC for their records.
6. Ken reviewed the established chain of command for the project. All contractor instructions, correspondence, and communications shall be issued to and received from the A/E. No changes to the work shown or described in the contract documents shall be made without prior written authorization from the A/E.

All RFIs, RFPs, requests for changes, pay applications, and submittals shall be routed through the A/E, who will coordinate with all parties as required.

Ken noted that this project was originally designed for the in-kind replacement of items damaged by a ruptured pipe, as documented by the insurance carrier. Following completion of this project, a separate architect will modify the space to accommodate the future program.

Ken also stated that he will coordinate with Terry Watson of Cromwell Architects to align the two projects and minimize any overlap or duplication of work. Ken also stated that there is the possibility of Recovery Solutions using Shields and Associates to perform the work for the future project, but that has not been confirmed.

7. A discussion was held concerning the contractor's submittals. The contractor will provide his submittals electronically. Ken reminded the contractor that submittals must be approved before any equipment is ordered. Ken also stated that since there will be additional work on this project, he will need to have the architect for Recovery Solutions review the shop drawings for the project as well, so it will take a little longer than usual for us to return the submittals.
8. Ken reminded the contractor that within ten (10) business days, a complete breakdown of the contractor's "Schedule of Values" and "Project Schedule" must be provided to the A/E for review and approval. Upon approval of the "Schedule of Values" and "Project Schedule", the A/E will distribute them to the client and to DBA. **NO PAYMENTS** can be made until the breakdown of "Schedule of Values" and "Project Schedule" is provided to the A/E; Refer to ABA MSC §3-406[B].
9. Ken reminded Matthew that an Executive Order 98-04 Disclosure Form must be provided for each subcontractor performing work on this project at a cost in excess of \$25,000.00 and that a form must also be provided on new subcontractors "hired on" by change order at any time throughout the duration of the project if their work exceeds \$25,000.00. Ken handed Matthew a copy of the Disclosure form
10. Ken noted that this form "DFA Illegal Immigrant Disclosure Statement", is not part of the bidding process.
11. Ken discussed the following pay request procedures:
 - a. Shields and Associates to submit pay requests using the AIA G702 and AIA G703 forms;
 - b. Shields and Associates r to email pay request to the A/E. Mailed originals are no longer required.

- c. Sheids and Associates to submit requests for rain days or other delays with each pay request but not less than once per month;
 - d. If stored materials are included on a pay request, the Contractor must submit an insurance certificate made out to the Owner or evidence that the materials are in a bonded warehouse;
 - e. "Release of Claims" form and "Consent of Surety" form must be submitted with the final pay request in order for that pay request to be processed. **A/E stated that if any forms other than these forms are submitted, they will be rejected by DBA.**
12. A discussion was held regarding the Contractor's work hours and site access. Shields and Associates stated that their standard work hours are Monday through Friday, 7:00 a.m. to 3:30 p.m., and all parties approved this schedule. Matt Dempsey noted that the building will be unoccupied, and the Contractor may access the site and perform work outside of these hours, including weekends, at their discretion. A discussion was held concerning the Contractor's "laydown area". It was decided that the Contractor could use the area immediately outside the Mechanical Courtyard during the day, but would need to pull all materials and equipment inside the Mechanical Courtyard at the end of each workday.
13. Ken noted that any project delays resulting from circumstances beyond the contractor's control (e.g., "Act of God") will be documented and considered in determining the substantial completion date. Ken further noted that, with the introduction of additional scope, the A/E, DHS, and the Contractor will collaborate to address and resolve any schedule impacts.
14. A discussion was held regarding parking, and a lay-down area it was determined that the parking area to the north of the building can be used for parking and a lay-down area. The Contractor needs to allow for UAMS traffic through the parking area.
15. A discussion was held concerning the Contractor's plan for his sequence of work. David Foote noted that they plan to have a subcontractor meeting in the next few days and will provide the sequence of work shortly.
16. A discussion was held regarding the scheduling of progress meetings. It was agreed that progress meetings will commence a few weeks prior to Shields beginning construction activities. Ken also noted that once Cromwell is further along in the development of their plans, a recurring meeting schedule will be established. The DBA inspector will conduct periodic site visits throughout the project.
17. Ken reminded the Contractor that his Project Superintendent must be on site for any work to be performed. A/E asked the Contractor to identify the Project Superintendent and his contact information:
- Project Superintendent: David Foote
Mobile phone number: 870-718-5641
18. A discussion was held concerning the project inspections:
- a) Project meeting will be held on an "As Needed" basis;
 - b) A/E and DBA inspector will coordinate so as not to hold the Contractor up;
 - c) Contractor needs to keep the "As Built" drawings up to date;
 - d) Inspectors will ask to see the "As Built" drawings throughout the project;
 - e) Contractor must get any required inspections/approvals in writing. This will be part of the "Close-Out" documents.
19. Ken reminded the Contractor to keep the work area as clean and free of debris as possible.

20. A discussion was held regarding appropriate attire. Ken advised avoiding clothing that may be considered unprofessional or inappropriate. Company-branded apparel is preferred when available but is not required. All required personal protective equipment must be worn in accordance with project safety requirements.
21. The following names and phone numbers of the local staff were provided as primary contacts in the event of an emergency:

Name		Contact Phone Numbers
Matt Dempsey	ASH	501-626-5742
Robert Haynie	ASH	501-454-1924

22. The following miscellaneous items were addressed:

- a) This facility is a “tobacco free” facility. All persons who wish to use tobacco must first exit the property.

Ken noted the following information concerning “Project Closeout” procedures:

Contractor’s Responsibilities During Project Closeout:

After this project has been accepted as “Substantially Complete”, the contractor will have 30 days to completely finish the project. This shall include performing ALL the following:

- A. Address ALL items on the “Punch List”;
- B. Notify the A/E in writing (email is acceptable for this) that all items on the “Punch List” have been addressed and that the contractor has ensured that all parties other than the A/E are completely satisfied with the work done by the contractor on the “Punch List” items;
- C. Contractor shall comply entirely with all closeout requirements in specification section 01 70 00 and in other specification sections. All items are to be submitted to the A/E within 30 days from the date of Substantial Completion. The following documents and information shall be submitted as the “Project Closeout Package” and shall be submitted **ALL IN ONE DELIVERY TO THE A/E**. Items #1 through #8 are to be submitted as separate items and shall NOT be bound together. DO NOT combine Items #1 through #8 into the 3-ring binders which contain the “Operation & Maintenance Manuals” (Item #9). Submit the following documents **ALL IN ONE DELIVERY** to the A/E’s office, complete with a “Letter of Transmittal” listing each of the following items individually:
 - 1. “Certificate of Final Completion”, with the “Contractor” section signed and completed;
 - 2. “Final Pay Request” (on the AIA G702 and G703 forms): Submit two (2) originals, no copies;
 - 3. Completed “Consent of Surety” form with a “Power of Attorney” attached. Use the “Consent of Surety” form included within the Project Manual (spec book). Do NOT use a substitution; it will be rejected;
 - 4. Completed “Release of Claims” form. Use the “Release of Claims” form included within the Project Manual (spec book). Do NOT use a substitution; it will be rejected;
 - 5. Contractor’s “One-Year Warranty Letter”;
 - 6. Equipment Manufacturer’s Warranties;
 - 7. Red-Lined “As-Built” drawings. A/E gave a set of plans already marked in red as “As-Built” drawings. The contractor should indicate all changes, revisions, etc. on these drawings and submit these “hard copies” of the “As Builts” and also submit a CD or thumb drive containing the scanned images of these “As Builts”;
 - 8. One CD or thumb drive with scanned images of your red-lined “As-Built” drawings;
 - 9. Operation & Maintenance Manuals: Submit two (2) each, in 3-ring binders.

If the A/E's office receives a "Project Closeout Package" that omits ANY of the items listed above, we will mail the entire package back to the sender with instructions for him/her to "Review the requirements for project closeout and resubmit". The "Project Closeout Package" containing ALL of the above items will be submitted to us in ONE delivery or it will be returned.

Glenn noted that several departments must review the closeout documentation, and that providing a complete, consolidated package helps reduce the risk of missing documents and delays in final payment.

Report prepared by:

Kenneth G. King AIA, LEED AP
Vice-President

Attachments: Notice to Proceed

End of Pre-Construction Meeting Report



NOTICE TO PROCEED

Date: 2-23-2026
Lockeby Project No: 25-15
DBA Project Number: 7102602
Contract Amount: \$ 3,046,000

Agency: Arkansas Department of Human Services
P.O. Box 1437, Slot W103
Little Rock, AR 72203

Project Location: Arkansas State Hospital Unit #3
305 S. Palm St
Little Rock, AR 72205

Contractor: Shields and Associates, Inc
116 Challain Dr
Little Rock, AR 72223

Project: ASH Unit #3 Water Damage Remediation

Mr. Matthew Bittle:

This notice is your authorization to proceed with the work on the above-referenced project. Your contract starting date is hereby established as Monday, February 23, 2026. You are required by the Contract Documents to start work within five (5) consecutive calendar days after this date. The Contract Documents require completion of the project on or Wednesday, October 21, 2026 (*240 Day Construction Period*). This notice is subject to all terms and conditions of the contract documents. All insurance policies pertaining to this project have been received and reviewed by the Owner and Arkansas Department of Transformation & Shared Services, Division of Building Authority. Send all future correspondence direct to the A/E's office.

Sincerely,

Glenn Lockeby, P.E.
President
Lockeby & Associates, Inc.

ACKNOWLEDGEMENT:
Sheilds and Associates, Inc.

By:
Date: 2/23/26