



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street

Concord, New Hampshire 03301

(603) 271-3201 | Office@das.nh.gov

Charles M. Arlinghaus
Commissioner

Catherine A. Keane
Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

August 17, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Division of Public Works Design and Construction to enter into an amendment to an existing project by increasing the contingency by \$2,500,000 for a total price not to exceed \$3,585,872.46 for Project Number 81176D, ARPA Secure Psychiatric Unit Forensic Hospital, Concord, New Hampshire. This amendment is effective upon Governor and Council approval through October 18, 2027, the estimated completion of construction administration services, unless further extended in accordance with the contract terms. The original contract contingency amount was approved by Governor and Council on June 28, 2023 Item #277, amended October 30, 2024 Item #125, amended February 5, 2025 Item #132, and amended March 25, 2026 Item #135.
100% Federal Funds.

Funding is available in account titled Department of Health and Human Services as follows:

FY 2027

05-95-94-940010-24650000- ARPA DHHS Fiscal Recovery Fund

102-500731- Program Contracts – Contingency

\$2,500,000

EXPLANATION

This project is for the construction of a 41,165 square-foot addition to the existing New Hampshire Hospital (NHH) facility at the Governor Hugh Gallen State Office Park in Concord, NH. The addition will feature a 24-bed, two-floor forensic psychiatric hospital, including spaces required for patient treatment and administration. In addition, the project includes interior and exterior renovations to the existing entrance vestibule and lobby area of NHH which will serve as a single entrance point for all staff and visitors to NHH and the new secure psychiatric forensic unit currently being constructed. These changes will increase security, allow for centralized screening in one location, and provide greater control over the space and areas of refuge.

The construction contract was originally approved at just over \$41 million along with \$2 million for contingency. As with any construction project of this size and complexity, contingency funds are put aside for unforeseen expenses. A significant portion of the contingency has been spent including but not limited to the relocation of a storm drain running through an easement in the footprint for the NNH, expansion of the nurse call system and PA upgrades, and additional costs related to security system enhancements.

Work on portions of the Forensic Hospital project was delayed in some areas while the State and its partners investigated and analyzed some design errors in work that had been completed. The State and its partners developed a comprehensive plan to remediate, correct errors, and complete the project. The State received \$9.9 million from the design vendor's (SMRT) insurance carriers to support the remediation work and additional costs resulting from the delay while a corrective action was designed and negotiated.

This request to replenish and increase the contingency fund is needed to address any additional unforeseen costs arising from the work done to address the structural system and load-bearing corrective actions.

The Department of Administrative Services has certified the funds are available and respectfully requests your approval.

Respectfully submitted,



Charles M. Arlinghaus,
Commissioner

Contingency Reconciliation			
	GC Approval	Contract Amount	Funding
Original Contract General		1,500,000.00	100% General
Original Contract ARPA		500,000.00	100% ARPA
Total Original Contract	6/28/23 #277	2,000,000.00	
Amendment	10/30/24 #125	50,000.00	100% ARPA
Amendment	2/5/25 #132	1,550,000.00	100% General
Amendment	3/25/26 #135	1,485,000.00	100% ARPA
Previous increases to contract value per terms of contract utilizing contingency to:			
PC Construction		(3,839,127.54)	
SMRT		(160,000.00)	
Current Contingency Balance		1,085,872.46	
Current Amendment		2,500,000.00	100% ARPA
AMENDED CONTINGENCY VALUE		3,585,872.46	



Charles M. Arlinghaus
Commissioner

State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street – Room 100
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Catherine A. Keane
Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

June 28, 2023

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1) Authorize the Division of Public Works Design and Construction to enter into a contract with PC Construction Company (VC#277136), South Burlington, Vermont for a total price not to exceed \$41,974,000 for ARPA Secure Psychiatric Unit Forensic Hospital, Concord, New Hampshire, Public Works project #81176 Contract D. This contract is effective upon Governor and Council approval through December 31, 2025, unless extended in accordance with the contract terms. **82% General Funds 18% Federal Funds.**

2) Further authorize that a contingency in the amount of \$2,000,000 be approved for unanticipated expenses for the ARPA Secure Psychiatric Unit Forensic Hospital, bringing the total to \$43,974,000. **75% General Funds 25% Federal Funds.**

3) Further authorize the amount of \$400,000 be approved for payment to the Department of Administrative Services, Division of Public Works Design and Construction (VC#311152), for engineering services provided, bringing the total to \$44,374,000. **100% General Funds.**

Funding is available in account titled Department of Human and Health Services, as follows:

	<u>FY 2023</u>
05-95-94-940010-30730000 Forensic Hospital	
103-500736– New Construction	\$ 34,272,680
103-500736– Contingency	\$ 1,500,000
103-500736– DPW Fees	<u>\$ 400,000</u>
	\$ 36,172,680
05-95-94-940010-24650000 ARPA DHHS Fiscal Recovery Fund	
103-502507– New Construction	\$ 7,701,320
103-502507– Contingency	<u>\$ 500,000</u>
	\$ 8,201,320
Grand Total	\$ 44,374,000

EXPLANATION

This contract is for the construction of a 41,165 square-foot addition to the existing New Hampshire Hospital (NHH) facility at the Governor Hugh Gallen State Office Park. The addition will feature a 24-bed, two-floor forensic psychiatric hospital, including spaces required for patient treatment and administration. The forensic psychiatric hospital will house 24 women and men over the age of 18, in two (2) separate wings. The single patient bedrooms include a private bathroom, built-in wardrobe/desk and weighted bed and chair. Treatment spaces include a medical treatment suite, recreational therapy space, vocational kitchen, group meeting rooms, a library/chapel, seclusion rooms, dining space and visitation rooms. There will be two exterior yards for patient exercise and exposure to the outdoors. Space is being provided at the walk-out basement level for a future kitchen relocation. A secure entrance lobby is being shared by the new and existing facilities with a separate, higher security station for the new facility. Food services, housekeeping, maintenance, and other personnel will also be shared with both facilities.

Currently there are 22 civilly committed patients housed at the Secure Psychiatric Unit (SPU) on the State prison grounds. These patients have not been convicted of any crime but are housed in prison conditions mixed with individuals who have been convicted of various crimes. These patients have been transferred to SPU under an emergency transfer rule because they are too dangerous to be safely housed at NHH. As a primarily correctional facility, the SPU lacks the ability to provide the degree of programming and therapy that many of these patients require. Once the new facility is constructed, patients who are more assaultive than NHH can safely manage will be transferred to the forensic psychiatric hospital without the need to engage the Department of Corrections. The same treatment standards as NHH will be provided, but enhanced security measures will be available. Two forensic psychiatrists, two forensic psychologists, and a behavioral analyst along with forensic technicians will provide advanced care.

A public bid opening was held on April 19, 2023. Two (2) bid proposals were received and the contract was awarded to the lowest qualified bidder. The low bid is 10% over the Department estimate. This could be due to general contractors having difficulty finding subcontractors to bid their projects. To compound the issue, this particular contract, given its size and complexity, requires a large number of subcontractors to complete the work. Subcontractors, in turn, are having difficulty hiring staff.

This contract contained four (4) Alternate Bid Items (Alternates). Alternates are not included in the Base Bid and, therefore, not used to determine the low bid. Once the low bid is established, the Department may add or deduct scope as described in the Alternates and per the Alternate bid prices provided by the low bidder. For this contract, none of the Alternates were accepted by the Department because the low bid was over budget.

Department Estimate:	\$ 38,000,000
Low Base Bid (without Alternates):	<u>\$ 41,974,000</u>
Over Estimate:	<u>\$ 3,974,000</u>

The agreement has been approved by the Attorney General as to form and execution; and the Department of Administrative Services has certified that the necessary funds are available. Copies of the fully executed agreement are on file at the Secretary of State's Office and the Department of Administrative Services – Division of Public Works Design and Construction.

Respectfully submitted,



Charles M. Arlinghaus,
Commissioner

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State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

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Concord, New Hampshire 03301
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Charles M. Arlinghaus
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Catherine A. Keane
Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

October 8, 2024

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

- 1) Authorize the Division of Public Works Design and Construction to enter into an amendment to an existing contract with PC Construction Company (VC#277136), South Burlington, Vermont, by increasing the price limitation by \$2,341,244.52 for a total price not to exceed \$45,381,484.66 for Project Number 81176, Contract D ARPA Secure Psychiatric Unit Forensic Hospital, Concord, New Hampshire. The completion date is being extended from December 31, 2025 to February 5, 2026. This contract is effective upon Governor and Council approval through February 5, 2026, unless extended in accordance with the contract terms. The original contract was approved by Governor and Council on June 28, 2023. Item #277. **100% Federal Funds.**
- 2) Further authorize that a contingency in the amount of \$50,000 be approved for unanticipated expenses for the ARPA Secure Psychiatric Unit Forensic Hospital, bringing the total to \$45,431,484.66. **100% Federal Funds.**

Funding is available in account titled Department of Health and Human Services as follows:

	<u>FY 2025</u>
05-95-94-940010-24650000- ARPA DHHS Fiscal Recovery Fund	
103-502507 – Program Contracts – New Construction	\$ 2,341,244.52
103-502507 – Program Contracts – Contingency	\$ <u>50,000.00</u>
Grand Total	\$ 2,391,244.52

EXPLANATION

The work of this contract includes interior and minor exterior renovations to the existing entrance vestibule and lobby area of the New Hampshire Hospital in Concord, New Hampshire. The work involves demolition of the existing spaces in and immediately adjacent to the lobby and installation of new walls, windows, doors and mechanical and electrical systems. Safety upgrades and equipment will be installed to increase the ability of security staff to monitor people coming in and leaving the hospital building.

This project was initiated after a tragic security event at the entrance lobby of New Hampshire Hospital. Following up on this incident, an assessment was conducted of existing security protocols at the direction of Governor Sununu. The Department of Safety issued its findings in a report on November 28, 2023, with security recommendations for New Hampshire Hospital. The Department of Health and Human Services worked with the Division of Public Works Design and Construction and SMRT Architects to redesign the entrance vestibule and lobby to enhance visitor screening and security. The existing space will be renovated and serve as a single entrance point for all staff and visitors to New Hampshire Hospital and the new secure psychiatric forensic unit currently being constructed. This will allow for centralized screening in one location. These changes will increase security and provide greater control over the space and areas of refuge should an incident occur.

The amendment has been approved by the Attorney General as to form and execution; and the Department of Administrative Services has certified that the necessary funds are available. Copies of the fully executed agreement are on file at the Secretary of State's Office and the Department of Administrative Services – Division of Public Works Design and Construction.

Respectfully submitted,



Charles M. Arlinghaus,
Commissioner

Original contract:	\$41,974,000.00
Previous increases to the Contract Value per terms of the Contract utilizing Contingencies	\$ 923,240.14
	<u>\$ 143,000.00</u>
Adjusted Contract Value:	<u>\$43,040,240.14</u>
Amendment:	<u>\$ 2,341,244.52</u>
New Contract Total:	<u>\$45,381,484.66</u>

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State of New Hampshire

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Charles M. Arlinghaus
Commissioner

Catherine A. Keane
Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

January 2, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Division of Public Works Design and Construction to enter into an amendment to an existing project by increasing the contingency by \$1,550,000 for a total price not to exceed \$2,533,760 for Project Number 81176, Contract D, ARPA Secure Psychiatric Unit Forensic Hospital, Concord, New Hampshire. This contract is effective upon Governor and Council approval through February 5, 2026, unless extended in accordance with the contract terms. The original contract was approved by Governor and Council on June 28, 2023, Item #277 and amended October 30, 2024, Item#125. **100% General Funds.**

Funding is available in account titled Department of Health and Human Services as follows:

FY 2025

05-95-94-940010-30730000- Forensic Hospital
103-502507 – Program Contracts – Contingency

\$1,550,000

EXPLANATION

This project is for the construction of a 41,165 square-foot addition to the existing New Hampshire Hospital (NHH) facility at the Governor Hugh Gallen State Office Park in Concord, NH. The addition will feature a 24-bed, two-floor forensic psychiatric hospital, including spaces required for patient treatment and administration. In addition, the project includes interior and exterior renovations to the existing entrance vestibule and lobby area of NHH which will serve as a single entrance point for all staff and visitors to NHH and the new secure psychiatric forensic unit currently being constructed. These changes will increase security, allow for centralized screening in one location, and provide greater control over the space and areas of refuge.

The construction contract was originally approved at just over \$41 million. As with any construction project of this size and complexity, contingency funds are put aside for unforeseen expenses. The original contingency of \$2,000,000 plus its previous amendment of \$50,000, brought the total to \$2,050,000. A

significant portion of the contingency has been spent for the relocation of a storm drain running in an easement through the footprint for the new Hospital (\$923,240) along with expansion of the nurse call system (\$143,000), which were applied to the PC Construction contract, thereby depleting the contingency to \$983,760. Additional costs have been identified for security equipment (approximately \$450,000) and PA system upgrades (approximately \$379,000). This request is to replenish the contingency funds by \$1,550,000 bringing the new balance to \$2,533,760.

Below is a summary of the full project funding.

	Construction Contract	Contingency	DPW Fees
Original G&C #277	41,974,000	2,000,000	400,000
1st Amendment G&C #125			
Increase Amendment	2,341,245	50,000	
Convert contingency to contract	923,240	(923,240)	
Convert contingency to contract	143,000	(143,000)	
Balance before current request	45,381,485	983,760	400,000
Current G&C Request		1,550,000	
Revised Balance	45,381,485	2,533,760	400,000

The Department of Administrative Services has certified the funds are available and respectfully requests your approval.

Respectfully submitted,



Charles M. Arlinghaus,
Commissioner

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State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

25 Capitol Street

Concord, New Hampshire 03301

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Charles M. Arlinghaus
Commissioner

Catherine A. Keane
Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

March 25, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council

State House
Concord, New Hampshire 03301

REQUESTED ACTION

1) Authorize the Department of Administrative Services, Division of Public Works Design and Construction to enter into an amendment to an existing contract with PC Construction Company (VC#277136), South Burlington, Vermont, by increasing the price limitation by \$9,900,000 for a total price not to exceed value of \$56,660,824.06, for Project Number 81176, Contract D ARPA Secure Psychiatric Unit Forensic Hospital, Concord, New Hampshire. The completion date has been extended from February 5, 2026, to October 18, 2027, in accordance with the contract. This contract amendment is effective upon Governor and Council approval through the completion of construction administration services, estimated to be October 18, 2027, unless further extended in accordance with the contract terms. The original contract was approved by Governor and Council on June 28, 2023, Item #277, amended October 30, 2024, Item #125, and February 5, 2025, Item #132. **100% Agency Income.**

2) Further authorize that a contingency in the amount of \$1,485,000 be approved for unanticipated site costs. **100% Federal ARPA**

3) Further authorize advance payments to PC Construction Company for work related to the design, furnishing, testing and installation of security building systems and doors, referred to as "Products/Systems", for deposits required by PC Construction Company's contracts with their vendors Aorbis and/or Honeywell. Advance payments may be requested, in accordance Part 10.11 of this contract amendment.

Funding is available in the following accounts, contingent upon Fiscal Committee approval to accept and expend \$1,485,000 of ARPA funds at the March 20, 2025 meeting and the Governor and Council approval included on this agenda for the March 25, 2025 meeting, with authority to adjust accounts and line items within the price limitation, through the DAS Budget Office, if needed and justified:

FY 2026

01-014-014-141910-52420000 Forensic Hospital Project	
034-500161 – Capital Project	\$ 9,900,000*
05-95-94-940010-24650000 ARPA DHHS Fiscal Recovery Fund	
102-500731 - Contingency	\$ 1,485,000

*Note * Fiscal Committee and Governor and Council previously approved the accept and expend of the \$9.9mil at their respective meetings 11/21/25 and 12/3/25*

EXPLANATION

This project is for the construction of a forty-one thousand square-foot addition to the existing New Hampshire Hospital (NHH) facility at the Governor Hugh Gallen State Office Park in Concord, NH. The addition will feature a 24-bed, two-floor secure forensic psychiatric hospital, including spaces required for patient treatment and administration. In addition, the project includes interior and exterior renovations to the existing entrance vestibule and lobby area of NHH, which will serve as a single entrance point for both NHH and the new secure psychiatric forensic unit. These changes will increase security and allow for centralized screening.

The construction contract was originally approved at just over \$41 million and as with any construction project of this size and complexity, the need for additional funds for unforeseen expenses can occur. As such this request is two-fold, additional funds necessary to address the structural system and load-bearing issue, and an increase to the project's contingency fund.

In addition, this contract amendment includes a new section "Part 10.11 Payments for Deposits for Products/Systems". This new section allows PC Construction to request advance payments from the Department for deposits required by its vendors Aorbis and/or Honeywell Company for work related to the design, furnishing, testing and installation of security building systems and doors,

Work on portions of the Forensic Hospital project was delayed in some areas while the State and its partners investigated and analyzed some design errors in work that had been completed. The State and its partners developed a comprehensive plan to remediate, correct errors, and complete the project. The State received \$9.9 million from the design vendor's (SMRT) insurance carriers to support the remediation work and additional costs resulting from the delay while a corrective action was designed and negotiated. The acceptance of \$9.9 million has been previously approved by both the Fiscal Committee and Governor and Council. This request is adding those funds to the construction contract.

The agreement has been approved by the Attorney General as to form and execution, and the Department of Administrative Services has certified the funds are available.

Respectfully submitted,

Catherine A. Keane
for

Charles M. Arlinghaus,
Commissioner

PC Construction Reconciliation**Forensic Hospital Project**

	<u>GC Approval</u>	<u>Contract Amount</u>	<u>Funding</u>
Original Contract General		34,272,680.00	100% General
Original Contract ARPA		7,701,320.00	100% ARPA
Total Original Contract	6/28/23 #277	41,974,000.00	
Amendment	10/30/24 #125	2,341,244.52	100% ARPA
Previous increases to contract value per terms of contract utilizing contingency		2,445,579.54	
Contract Value		46,760,824.06	
Current Amendment		9,900,000.00	100% Other Agency
AMENDED CONTRACT VALUE		56,660,824.06	

Contingency Reconciliation

	<u>GC Approval</u>	<u>Contract Amount</u>	<u>Funding</u>
Original Contract General		1,500,000.00	100% General
Original Contract ARPA		500,000.00	100% ARPA
Total Original Contract	6/28/23 #277	2,000,000.00	
Amendment	10/30/24 #125	50,000.00	100% ARPA
Previous increases to contract value per terms of contract utilizing contingency to:			
PC Construction		(2,445,579.54)	
SVRT		(160,000.00)	
Amendment	2/5/25 #132	1,550,000.00	100% General
Current Contingency Balance		994,420.46	
Current Amendment		1,485,000.00	100% ARPA
AMENDED CONTINGENCY VALUE		2,479,420.46	