



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

MICHELLE LANGE
ACTING DIRECTOR

December 1, 2022

MEMORANDUM

TO: Members of the House and Senate Appropriations Committee
Members of the Joint Capital Outlay Subcommittee

FROM: Maria Tyszkiewicz, DTMB Budget Director

SUBJECT: New State Psychiatric Hospital Complex Progress Report

This memorandum is in response to Capital Outlay Sec. 301 as included within Public Act No. 166 of 2022 which requests for the programming and planning for a new state psychiatric hospital complex be completed. The funding appropriation is to be used for the planning, design and construction of a new complex for inpatient psychiatric facilities that is to include a standalone state-operated hospital to provide intensive psychiatric services to children and adolescents and a standalone state-operated hospital to provide intensive inpatient psychiatric service to adults. The complex is not to make use of any living or programmatic spaces for service that includes both children and adults but can share administrative and support services for the efficient use of central services.

Subsection 301(3) of the public act requires the following:

The department of technology, management, and budget, in coordination with the department of health and human services, shall submit all of the following to the senate and house appropriations committees and the joint capital outlay subcommittee:

- (a) Program statements and schematic planning documents for the facilities once preliminary design is complete.
- (b) A progress report every 3 months until project completion, with the first progress report due no later than December 31, 2022.

In response to each subsection, the Department of Technology, Management & Budget (DTMB) / State Facilities Administration (SFA) / Design & Construction Division (DCD) provides the following:

- (a) Program statements and schematic planning documents will be provided once the preliminary design is complete.

- (b) On August 25, 2022, a Request for Information and Qualifications were publicly advertised for both Architectural/Engineering and Construction Management services. In reviewing and considering the received responses for both categories, all submitted firms were found to be qualified and invited to submit a response to the Request for Proposals and were due on September 29, 2022.

Upon receipt of the proposals, an evaluation team consisting of members from MDHHS and MDTMB evaluated proposals from both the Architectural/Engineering and Construction Management firms.

Proposals were received from three qualified Architectural/Engineering firms and evaluated for best value (highest point total) based on the following:

Technical Factors (80% of the weighted scoring)

Task understanding

Personnel

Management Summary and Work Plan / Schedule

Project Budget Analysis

Interview

Cost Factors (20% of the weighted scoring)

Interface

Wage Rates

Total Cost

The scoring resulted in the following cumulative point totals:

Integrated Design Solutions (Troy)	97
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SmithGroup Inc. (Detroit)	91
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Harley Ellis Devereaux (Southfield)	87
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As a result of this evaluation, Integrated Design Solutions was recommended and awarded a contract for \$12,350,000.00.

Proposals were also received from two qualified Construction Management firms and evaluated for best value based on the following:

Technical Factors (80% of the weighted scoring)

Understanding of Project

Personnel / Experience

Work Plan / Schedule
Cost Estimating / Control
Interview

Cost Factor (20% of the weighted scoring)

Fee

The scoring resulted in the following cumulative point totals:

Christman Company (Detroit)	94.75
Granger Construction (Lansing)	93.25

As a result of this evaluation, Christman Company was recommended and awarded a contract for \$270,000,000.00.

- (c) This report is the first of an assumed seventeen quarterly reports through the projected completion of the New State Psychiatric Hospital Complex in calendar year 2026.

Both the Architect/Engineer and Construction Manager contracts were awarded on October 25, 2022. The project design and kickoff meetings have begun, and programming and conceptual design meetings are being scheduled.

Four prospective sites have been identified within Southeast lower Michigan in cooperation with MDTMB and MDHHS, of which three of the properties are currently privately owned and one property is state owned. The Architect/Engineer is currently reviewing and evaluating the potential sites to investigate if the sites are of adequate size, verify if the land is conducive for the construction of a building and if there are available utilities for a facility of this size. Upon the completion of the analysis of these sites, a selection will be made based on the best location to serve MDHHS so that the further development of the facility can move forward.

Of the \$325,000,000.00 appropriated, \$282,350,000 has been encumbered to date.

Please feel free to reach out to me to discuss if you have any questions and/or concerns.

Cc:

Lisa Shoemaker, State Budget Office

Members of the House and Senate Appropriations Committee Members of the Joint
Capital Outlay Subcommittee

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Ryan Fink, State Budget Office

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Bree Anderson, DTMB Legislative Liaison

Phillip Jeffery, DTMB Chief Financial Officer

Michael Turnquist, DTMB State Facilities Administration

Adam Lach, Director, DTMB Design and Construction