



Building Excellence

MIRON CONSTRUCTION CO., INC.

175 S McClellan Ave
Marquette, MI 49855

PH 906.936.2100

MIRON-CONSTRUCTION.COM

August 29, 2026

Mr. Tom Tikkanen and
Ms. Faith Morrison
Houghton County Jail Committee
401 E. Houghton Ave.
Houghton, MI 49931

Re: Houghton County Jail ROM Cost Budget

Mr. Tikkanen and Ms. Morrison,

Miron Construction Co., Inc., is pleased to respond to your request for information related to the potential Houghton County Jail bond project. Having recently completed the Delta County Jail, having several other jail facilities currently under construction, and intimately understanding the opportunities/challenges of building in the Copper Country, we believe we are uniquely qualified to provide insight into this critical County project.

We have reviewed the documents provided at the Industry Day event and on the County's website. Based on the information provided, we determined Pre-Charrette Option #2, as provided by Abonmarche Byce, was the best starting point for the ROM analysis. Our budget is based on the building size and space program provided within that option, as detailed in their April 15, 2025 "Major Master Plan Conclusions" report. Below are the deliverables you requested.

ROM Project Budget (based on 2027 construction start):

• Site Development / Building Construction:	\$23,700,000
• Architectural & Engineering Fees:	\$ 2,100,000
• County FF&E, IT Infrastructure, Other Costs:	<u>\$ 2,000,000</u>
• Project Total Cost:	\$27,800,000

Assumptions:

- Building site is suitable for conventional foundations and contains no significant hazardous materials.
- Cost escalation of 4.0% for calendar year 2027. We also suggest this percentage for escalating into future years, if necessary.
- Building program of 12,613 sft of renovation and new construction of 24,166 sft.

Opportunities to Reduce Size and Cost: Further discussions would be necessary with the Sherriff, their staff, and the selected design team to identify areas that could potentially be dual-use or possibly eliminated. The challenge is obviously that a small jail has the same functional requirements (spaces) as a larger jail does, like Delta County, so the efficiency of your building will be difficult to improve without sacrificing some operational flexibility. Considering the current jail is less than half the size of the proposed facility, there should be opportunities to create dual-use spaces. As discussed at Industry Night, eliminating building square footage is the best opportunity to bring cost down. MDOC and building code standards will dictate much of the construction type and finishes, not leaving much room for "value engineering" these pieces of the building.

Jail Specific Construction Experience: Miron has successfully completed over 20 correctional projects in the last twenty years. Notable "local" projects include the Brown County Jail Expansion (Green Bay) that is just completing and the Delta County Jail, as noted above. We also have significant experience in the private prison



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sector, working on some very large facilities throughout the country, prior to that market contracting. Although a prison is different than a jail environment there are a lot of similarities and we learned a lot about how to make a building cost efficient, but also complying with Federal Bureau of Prisons, I.C.E., and many State agency requirements simultaneously.

Highest Risk Items: The most critical item for the project would be the successful procurement and installation of the detention equipment and security electronics systems. This industry has gone through significant consolidation over the last 15 years, resulting in fewer options for contractors and material vendors. Controlling these costs, which are about 30% of the construction budget, and having competent specialty vendors is of utmost importance in a successful project.

Information to Remove Ambiguity or Reduce Cost/Risk: Hiring both an A/E design team and Construction Manager with significant experience in this type of construction is imperative. Jail construction presents many unique challenges and requires expertise to execute successfully. Having a team that understands the systems and requirements should be top priority.

We hope this information provides some help in guiding your decisions moving forward. Please feel free to reach out if we can provide additional aid in successfully moving the project forward!

Sincerely,

Todd Sabourin, Senior Vice President, Marquette Office
(906) 936-2080
todd.sabourin@miron-construction.com



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